## SENATE.

TUESDAY, *January 30, 1923.*

*(Legislative day of Monday, January 29, 1923.)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

PERSONAL EXPLANATION—CONSTITUTIONAL AMENDMENT FIXING PRESIDENTIAL TERMS, ETC.

Mr. NORRIS. Mr. President, I want to call attention to something that happened yesterday in the Senate when I was not in the Chamber; and I want to call attention to what I believe was an error and perhaps make an explanation in regard to it.

I was not here yesterday when the Senator from Connecticut [Mr. MCLEAN] was talking upon some pending motion to refer a bill to the Committee on Agriculture and Forestry. I think that was the motion. He was interrupted by the senior Senator from Minnesota [Mr. NELSON], who called the attention of the Senate to a condition relating to an amendment to the Constitution of the United States which had been reported from the Committee on Agriculture and Forestry and is now on the calendar. I want to read just a little from the RECORD as to what the Senator from Minnesota said. He said:

A moment ago the Senator from Connecticut referred to a joint resolution proposing a certain amendment to the Constitution of the United States, which joint resolution had been referred to the Committee on Agriculture.

I have not read the part of the RECORD in which the Senator from Connecticut made that reference. However, if he made the same mistake the Senator from Minnesota has made, I shall be able to correct that wrongful impression.

I desire—

Said the Senator from Minnesota—

to make a brief statement in reference to that matter.

The joint resolution proposed an amendment of the Constitution to dispense with the presidential electors and to provide for a direct vote of the people for President.

He was referring then to a joint resolution reported from the Committee on Agriculture and Forestry. He proceeded:

At the last session of Congress the Senator from Nebraska introduced a similar joint resolution contemplating such an amendment, and accompanied it with a statement on the floor. At his suggestion that joint resolution was referred to the Judiciary Committee, of which he is a member, and, on his own request, I appointed him chairman of a subcommittee to consider the joint resolution proposing the constitutional amendment. That joint resolution is still pending before the Judiciary Committee and is still in the hands of the subcommittee of which the Senator from Nebraska is chairman.

Mr. President, with the exception of my asking the Senator to appoint me as chairman of the subcommittee, the Senator from Minnesota stated the matter correctly. I did introduce such a joint resolution at the last regular session of Congress. I accompanied it with a short statement at the time I introduced it. I asked that it be referred to the Committee on the Judiciary. At the next meeting of the Committee on the Judiciary I asked that the joint resolution be referred to a subcommittee. The chairman of the committee very courteously appointed me as chairman of the subcommittee. So, with that simple correction, the chairman of the Judiciary Committee stated the matter correctly.

I realize, as I think every Senator does, that a Senator who is chairman of one of the great committees of the Senate has practically no time to devote to committee work on committees of which he is not chairman. I have found that with the work of the Agricultural Committee, much of which of course the Senate never considers because it does not get here, my time is entirely taken up; in fact, I could devote, if I had it, twice the time I do devote to that committee. I have tried to perform properly my duties as chairman of that committee.

Mr. President, personally I would be glad to be relieved from that arduous duty because there are so many details and so much work that takes time, not only of the Senator but of the force in his office, that he does not have an opportunity or time to consider other matters in which he is greatly interested. I myself suggested, when the committees of the present Congress were selected by the committee on committees, that I thought Senators like myself, who are chairmen of great committees, ought not to be put on any other committee, and I was perfectly willing that the rule should apply to me if it likewise applied to every other chairman. I would be glad to see that course followed now. I think it ought to be done.

But, Mr. President, I was deeply interested in the joint resolution. Notwithstanding the fact that my time was so taken up, I tried my very best to get a meeting of the subcommittee and to get action on the joint resolution. I have never been able even to get a meeting of the subcommittee. I have called a meeting at various times, but not during this session, because I gave it up last session. I say that without any criticism of the members of the subcommittee. They were likewise busy on other things. One of them at least was chairman of another subcommittee which was having hearings.

It was a physical impossibility to get consideration of the joint resolution. Whatever blame attaches to me I gladly accept and assume full responsibility. However, the next part of the statement of the Senator from Minnesota is erroneous, as I think I shall be able to show, and if anyone questions it I think I can demonstrate it from the RECORD.

At this session of Congress—

Said the Senator from Minnesota—

the Senator from Nebraska introduced another joint resolution having in view the same object.

That is erroneous. I did not do it.

It was done at a time when I was not present in the Senate.

That is the reason why the Senator was mistaken. If he had been present and had remembered it he would realize that I did not introduce the joint resolution.

At all events, it escaped my attention. The Senator from Nebraska had that joint resolution proposing the same constitutional amendment referred to the Committee on Agriculture and Forestry—

That is erroneous. It was not the same kind of a resolution. It was not introduced by me and I had nothing whatever to do with the reference of the joint resolution to the Committee on Agriculture. But the Senator went on to say—

and from that committee he succeeded in securing a report on the joint resolution.

I did succeed in getting a report from the Committee on Agriculture.

I have been patiently waiting for him, as chairman of the subcommittee, to submit a report to the full Judiciary Committee on the joint resolution which he introduced and had referred to that committee, and which is still pending there.

I am finding no fault whatever with the chairman of the Judiciary Committee. I think he did his full duty. He did it promptly. Under no circumstances have I ever in the slightest degree indicated, even indirectly, any criticism. I am as much to blame as anybody, and the reason why I am to blame for the delay in reporting that joint resolution of mine from the Judiciary Committee is the reason I have already stated. Be it good or bad, those are the facts.

But, Mr. President, the resolution which was reported by me from the Committee on Agriculture, while it did provide for an amendment to the Constitution, was a committee resolution. The Senator from Arkansas [Mr. CARAWAY] one day introduced a concurrent resolution in the Senate. It had reference to Members of Congress who had been defeated at the recent election and who were then and are now participating in general legislation. It was referred to the Committee on Agriculture. It had reference to the meeting of the old Congress after the new one had been elected by the people. I was present when that reference was made. It was not done covertly. The Chair stated it fairly, and he made the reference after he had made a statement of the request of the Senator from Arkansas. I did not have anything to do with the preparation of the concurrent resolution. I had no knowledge that it was going to be introduced. It was referred, I think, as a joke to the Committee on Agriculture. There was a smile in the Senate that such a resolution should be referred to the Committee on Agriculture. But it was so referred, and it was not referred at my request. No such request was made by me. It was the action of the Senate. The Senator from Arkansas plainly in the open Senate made the request. The Chair asked if there was any objection and there was none.

Mr. CARAWAY. Mr. President, will the Senator permit an interruption?

Mr. NORRIS. I gladly yield to the Senator.

Mr. CARAWAY. The Senator will also recall that I called attention to the fact that the jurisdiction was properly with the Committee on the Judiciary.

Mr. NORRIS. I remember it distinctly.

Mr. CARAWAY. So that no one was deceived.

Mr. NORRIS. No one was deceived, but everybody laughed when it was referred to the Committee on Agriculture. The long-whiskered farmers on the Committee on Agriculture took the matter seriously. We went to work on it. We thought that the resolution introduced by the Senator from Arkansas did not provide a remedy for the evil to which he called attention in the whereases, that there had been an election and a new Congress elected but the old Congress was still doing business. He also called attention to some legislation to which it referred. I do not know whether he called attention to it or not, but it was a fact that the resolution in effect was passed by some organization and it was then introduced by him.

Now, the Committee on Agriculture took it up seriously. I was directed by the Committee on Agriculture to report a substitute resolution which would, we thought, meet the difficulty and which required a constitutional amendment in order to accomplish it. I drafted the joint resolution. It had two parts to it, one pertaining to the presidential electors and the other having reference to the fixing of the beginning of a term of Congress which in effect would do away with the short session of Congress and would provide for the meeting on the first Monday in January of the new Congress elected in November. After I had prepared the joint resolution, at a subsequent meeting of the Subcommittee on Agriculture, I read it. It was again referred to the Committee on Agriculture, and I was directed by a unanimous vote of that committee to report it to the Senate.

Mr. President, that is the history of the joint resolution. If we had followed the ordinary procedure the resolution would not have been referred to the Committee on Agriculture and Forestry. At the time I did not wish to have it referred to that committee; I myself had an impulse to object, but it seemed to me that, being the chairman of the committee, an objection would probably not come with good grace from me. So I remained silent, and the committee assumed the burden which the Senate put upon it. We have discharged our duty as best we knew how. Those are the facts with reference to the joint resolution which is now on the calendar.

Mr. President, I wish to say, as I have once before said, that I contemplate making a motion to take up the joint resolution before this session of Congress shall have expired, as soon as we shall have disposed of the so-called rural credits bill, which is now pending.

I thought I ought to say this much now, because the Senator from Connecticut as well as the Senator from Minnesota was laboring under a misapprehension as to the joint resolution. I make the statement in justice to the Committee on Agriculture and Forestry, which did not seek this responsibility. It was put upon them by the Senate itself, and having been placed there, we have undertaken to perform our duty as we understood it. I may add that at the time the concurrent resolution was referred to the Committee on Agriculture and Forestry the Senator from Iowa [Mr. CUMMINS], who himself is a member of the Judiciary Committee, was in the chair.

CALL OF THE ROLL.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Alabama suggests the absence of a quorum. The Scretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

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| Ashurst | Gooding | McCormick | Shortridge |
| Brookhart | Hale | McCumber | Smith |
| Bursum | Harris | McKellar | Smoot |
| Cameron | Harrison | McLean | Spencer |
| Capper | Heflin | McNary | Stanfield |
| Caraway | Hitchcock | Nelson | Sutherland |
| Colt | Johnson | New | Townsend |
| Couzens | Jones, Wash. | Nicholson | Trammell |
| Culberson | Kellogg | Norbeck | Underwood |
| Curtis | Kendrick | Norris | Wadsworth |
| Ernst | King | Oddie | Walsh, Mass. |
| Fletcher | Ladd | Overman | Walsh, Mont. |
| Frelinghuysen | La Follette | Page | Warren |
| George | Lenroot | Ransdell | Watson |
| Glass | Lodge | Reed, Pa. | Williams |

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is detained at home on account of sickness. I ask that this notice may stand for the day.

Mr. UNDERWOOD. I wish to announce that the Senator from Texas [Mr. SHEPPARD] and the Senator from South Carolina [Mr. DIAL] are detained from the Senate by illness.

Mr. CURTIS. I desire to announce that the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from New Hampshire [Mr. KEYES], the Senator from Illinois [Mr. MCKINLEY], and the Senator from Oklahoma [Mr. HARRELD] are absent on the business of the Senate.

The VICE PRESIDENT. Sixty Senators having answered to their names, a quorum is present.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, in partial response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the War Department in the city of Washington, which was ordered to lie on the table.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LAND.

The VICE PRESIDENT laid before the Senate a communication from the First Assistant Secretary of the Interior, transmitting, pursuant to law, a report showing the withdrawals and restorations of public lands during the period beginning December 1, 1921, and ending November 21, 1922, and also the areas embraced in outstanding withdrawals at the latter date, which was referred to the Committee on Public Lands and Surveys.

CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the final annual report of the company for the year 1922, to be substituted for the report heretofore submitted in which the results of the operations of the company for the month of December were only estimated, which was referred to the Committee on the District of Columbia.

BOARD OF VISITORS TO THE NAVAL ACADEMY.

The VICE PRESIDENT appointed Mr. PAGE, Mr. PEPPER, Mr. ODDIE, Mr. GERRY, and Mr. SWANSON as members of the Board of Visitors on the part of the Senate to visit the Naval Academy at Annapolis, Md., pursuant to the provisions of the act of August 29, 1916.

PETITIONS.

Mr. LADD presented petitions of sundry citizens of Gladstone, Chaseley, and Enderlin, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

BAKER RECLAMATION PROJECT, OREGON.

Mr. MCNARY presented the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Irrigation and Reclamation:

Senate joint memorial.

To the Hon. A. P. DAVIS,
*Director of the United States Reclamation Service.*

We, your memorialists, the Senate of the State of Oregon, the House of Representatives concurring, respectfully represent: That

"Whereas the United States Reclamation Service has made an exhaustive examination and survey of what is known as the Baker project, located in Baker County in this State; and

"Whereas estimates are about to be submitted covering the feasibility and cost of said project; and

"Whereas an examination of the soil and climatic conditions has been made by Prof. W. L. Powers, soil expert of the Oregon Agricultural College, and that the report is that the soil conditions and climatic conditions are wholly satisfactory and the soil of more than average fertility, and that the conditions are extremely favorable for the building of a successful project and providing homes for a large number of people and bringing under cultivation a large acreage of land and resulting in a large increase of population and wealth in the State of Oregon; and

"Whereas the State of Oregon has paid into the reclamation fund from the sale of public lands a large sum of money, and the sum of money paid into said fund is greatly in excess of the sum of money received therefrom; and

"Whereas the said Baker project, tentatively adopted by the Reclamation Service, is the only new project in the State of Oregon; and

"Whereas the said project will come before the said Director of the United States Reclamation Service for final approval; and

"Whereas the said project, on account of its proximity to the national forest furnishing cheap lumber for improvements, its close proximity to active markets, its soil and climatic conditions, can stand a high cost per acre for building; and

"Whereas the building of the said project will be an important factor in the encouragement of irrigation in the State of Oregon and stimulating the reclamation of thousands of acres of the arid lands of said State: Now therefore we, your memorialists, do hereby

"*Resolve*, That the Senate of the State of Oregon, the House of Representatives concurring, favor the building of the said Baker project and do hereby urge that the said project have favorable consideration at your hands and do urge upon you that you finally approve the building of the said project; and be it further

"*Resolved*, That the chief clerk of the Senate of the State of Oregon be directed to transmit a copy of this memorial to the Hon. A. P. Davis, Director of the United States Reclamation Service, and to each of the Senators and Representatives from the State of Oregon in Congress."

Concurred in by the House January 19, 1923.

K. K. KUBLI,
*Speaker of the House.*

Adopted by the Senate January 18, 1923.

JAY UPTON,
*President of the Senate.*

REPORTS OF COMMITTEES.

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 4425) to authorize appropriations for the relief of certain officers of the Army of the United States, reported it without amendment and submitted a report (No. 1071) thereon.

Mr. WARREN. From the Committee on Appropriations I report back the bill (S. 4362) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, and ask that the committee be discharged from its further consideration. I suggest that the bill should go to

the Committee on Finance, as that committee has charge of the subject matter.

The VICE PRESIDENT. Without objection, the Committee on Appropriations will be discharged from the further consideration of the bill and it will be referred to the Committee on Finance.

Mr. WILLIAMS, from the Committee on the Library, to which was referred the bill (S. 4119) authorizing the erection in the city of Washington of a monument in memory of the faithful colored mammies of the South, reported it with amendments and submitted a report (No. 1072) thereon.

Mr. SPENCER, from the Committee on Indian Affairs, to which was referred the bill (S. 4061) authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks of the Indians of the Blackfeet Indian Reservation, reported it without amendment and submitted a report (No. 1073) thereon.

He also, from the same committee, to which was referred the bill (H. R. 10211) authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service, reported it without amendment and submitted a report (No. 1074) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 4404) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C., reported it without amendment and submitted a report (No. 1075) thereon.

### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 4440) to amend section 9 of the trading with the enemy act, approved October 6, 1917, as amended; to the Committee on the Judiciary.

A bill (S. 4441) granting a pension to Millie Newman; to the Committee on Pensions.

By Mr. ODDIE:

A bill (S. 4442) to renew and extend certain letters patent; to the Committee on Patents.

By Mr. TOWNSEND:

A bill (S. 4443) granting an increase of pension to Alice J. Hunt (with accompanying papers); to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4444) granting a pension to Thomas J. Boice; to the Committee on Pensions.

By Mr. PHIPPS:

A bill (S. 4445) to amend the first paragraph of section 2 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, and for other purposes; to the Committee on the District of Columbia.

By Mr. McKELLAR:

A bill (S. 4446) granting a pension to Oscar E. Burrow (with accompanying papers); to the Committee on Pensions.

### RURAL-CREDIT FACILITIES.

Mr. NORBECK submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which was ordered to lie on the table and to be printed.

### AMENDMENTS OF WAR DEPARTMENT APPROPRIATION BILL.

Mr. WADSWORTH submitted an amendment authorizing the Secretary of War to permit, without cost to the United States, the erection of monuments or memorials in the Chickamauga and Chattanooga National Military Park to commemorate encampments of Spanish War organizations which were encamped in said park during the period of the Spanish-American War, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile, etc., intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment proposing to increase the appropriation for activities of the national board for promotion of rifle practice, quartermaster supplies, and services for rifle ranges for civilian instruction, etc., from $20,000 to $89,900, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that the master of the sword at the Military Academy, upon the completion of his service, shall be entitled to be placed upon the retired list of the Army (with the rank of lieutenant colonel) under the same conditions as are prescribed by law for other officers of the Army, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that no part of the appropriations made in the act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that hereafter the cost of transportation of civilian employees and of material in connection with the manufacturing and purchasing activities of the Signal Corps, Air Service, Medical Department, Ordnance Department, Engineer Department, and the Coast Artillery Corps, and in connection with the construction and installation of fire-control projects at seacoast fortifications by the Coast Artillery Corps, may be charged to the appropriations for the work in connection with which such transportation charges are required, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

### PROPOSED INTERNATIONAL CONFERENCE.

Mr. BORAH. I submit a resolution, which I ask to have printed and lie on the table.

The resolution (S. Res. 426) was ordered to lie on the table and to be printed, as follows:

*Resolved*, That the President is authorized and requested to invite such governments as he may deem necessary or expedient to send representatives to a conference which shall be charged with the duty of considering the economic problems now obtaining throughout the world with a view of arriving at such adjustments or settlement as may seem essential to the restoration of trade and to the establishment of sound financial and business conditions; and also to consider the subject of further limitation of armaments with a view of reaching an understanding or agreement upon said matter, both by land and by sea, and particularly relative to limiting the construction of all types and sizes of subsurface and surface craft of 10,000 tons standard displacement or less, and of aircraft.

### ASSISTANT CLERK TO COMMITTEE.

Mr. CALDER submitted the following resolution (S. Res. 427), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Senate Resolution 444, agreed to March 3, 1921, authorizing the Committee to Audit and Control the Contingent Expenses of the Senate to continue the employment of an assistant clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

### HEARINGS BEFORE COMMITTEE ON MINES AND MINING.

Mr. POINDEXTER submitted the following resolution (S. Res. 428), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Mines and Mining or any subcommittee thereof be, and hereby is, authorized, during the Sixty-seventh Congress, to send for persons, book and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per 100 words to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the bill (S. 472) for the relief of William B. Lancaster, with an amendment, in which it requested the concurrence of the Senate.

WILLIAM B. LANCASTER.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 472) for the relief of William B. Lancaster, which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William B. Lancaster, during his natural life, the sum of $40 per month, to date from the passage of this act, as compensation for injuries sustained while employed by the Reclamation Service at the west portal, Strawberry Tunnel, Strawberry Valley project, Utah, said monthly payments to be paid through the United States Employees' Compensation Commission.

Mr. SMOOT. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

Mr. McNARY. Mr. President, yesterday afternoon I called up for consideration the conference report on the annual Agricultural appropriation bill and made a formal motion with respect to certain amendments. At the request of the Senator from Utah [Mr. KING] I consented that the matter might go over until to-day. By way of a parliamentary inquiry I desire to know if it is necessary to renew my motion, or is it carried over to this time?

The VICE PRESIDENT. The Senator may ask unanimous consent to take the report from the table, and then the motion heretofore made by him will be pending.

Mr. McNARY. I ask unanimous consent that the report of the conference committee on the annual Agricultural appropriation bill may be taken from the table.

There being no objection, the Vice President laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 13481, the Agricultural Department appropriation bill.

The VICE PRESIDENT. The Secretary will state the motion of the Senator from Oregon which is now pending.

The ASSISTANT SECRETARY. The Senator from Oregon [Mr. McNARY] moved that the Senate agree to the amendments of the House to the amendments of the Senate numbered 11, 31, 33, and 35, and that the Senate recede from its amendment numbered 34.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

Mr. HARRISON. Mr. President, I should like to ask the Senator from Oregon if the conference report represents a full agreement on the Agricultural appropriation bill?

Mr. McNARY. It does.

Mr. HARRISON. I have not had time to go over the report in detail and I should like to ask the Senator what was done with some of the Senate amendments, notably the one making an appropriation for the investigation of insects prevalent in my section of the country affecting the sweet potato?

Mr. McNARY. That item as passed by the Senate is found on page 51 of the bill and reads:

For investigations of insects affecting truck crops, including insects affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, etc., and insects affecting stored products, $173,000.

The Bureau of the Budget estimated $123,000 for this item; the House appropriated $123,000; the Senate committee recommended $123,000, but on the floor of the Senate the appropriation was increased $50,000 under the amendment offered by the Senator from Mississippi. That brought the total to $173,000. The Senate conferees, however, after discussing the matter at length with the House conferees, yielded to the House conferees and the item stands now at $123,000.

Mr. HARRISON. I am very sorry to hear that; it will be very bad news to those who are interested in the cultivation of sweet potatoes.

I should like to ask the Senator also what was done with respect to the provision for market news wire service?

Mr. McNARY. That provision was left in the bill as the Senate passed it, appropriating $700,000 to provide for the distribution annually by wire of market news. Under the appropriation the service may be provided for the Pacific coast and the Southeastern States bordering on the Gulf and the Atlantic Ocean.

Mr. HARRISON. Were any other of the amounts reduced in conference where the appropriations were increased on the floor of the Senate?

Mr. McNARY. I will say to the Senator that by amendment numbered 4 in the item which provides for collecting data concerning frost damage, the Senate inserted a provision with regard to spraying, and that was eliminated by the conferees; so the item remains the same as it came over from the House.

Mr. HARRISON. Of course, I do not want to pry into any of the secrets of the conference; but I suppose it was contended by the conferees representing the House that the sweet-potato item was eliminated because the Bureau of the Budget had not recommended it?

Mr. McNARY. I will say to the Senator that that was not the sole consideration. Of course, it is always an element in the discussion of such a matter and arriving at a solution of the problem. I think the House conferees did mention that fact, but we thought the amount appropriated under this item as it reads now was sufficient to do this work.

Mr. HARRISON. Of course, the Senator made every effort to carry out the wishes of the Senate as expressed by the adoption of the amendment?

Mr. McNARY. Oh, I can say to the Senator that I never worked harder in my life.

Mr. HARRISON. I am sure of that.

Mr. McNARY. Mr. President, the next item is concerning barberry eradication. The House appropriated $350,000 for this purpose. The Senate increased the House appropriation to $500,000 on the floor. The conferees agreed upon $425,000 for this purpose, making $125,000 available for cooperative work, in the hope that those States and communities where the infestation occurs will more actively cooperate with the Government in the control and eradication of the barberry.

The next item is the sweet-potato item, to which I have called attention.

The next item is the amendment offered by the Senator from California [Mr. SHORTRIDGE], where he made a reservation that $150,000 of the money appropriated to extinguish predatory animals should go to California. The Senate conferees yielded on that provision.

Mr. HARRISON. The Senate conferees yielded? Is that important item now stricken from the bill?

Mr. McNARY. The item is not so important as the Senator from Mississippi might think when he reads it.

Mr. HARRISON. I heard the very eloquent speech of the junior Senator from California, and he led me to believe that it was very important.

Mr. KING. Mr. President, if the Senator will yield——

Mr. HARRISON. I yield.

Mr. KING. Before leaving that item, may I inquire whether the amount carried in the bill as it left the Senate was reduced, or did the conferees merely strike out the language which required a certain amount of the appropriation to be expended solely in the State of California?

Mr. McNARY. I will state to the Senator from Utah that the amount was not increased or decreased. It remained the same; but the provision which provided for the expenditure of $150,000 in California was stricken from the bill, so that the language of the bill is general in its nature, and no part of it is confined to any one particular State.

Mr. KING. I am very glad to know that, because the provision, may I say to the Senator, with the indulgence of the Senator from Mississippi, seemed to me to be very unfair and discriminatory. If funds which are appropriated for a section are to be segregated in the bill, and one State is to receive a given quantity, then obviously the other States would be deprived of their proportionate share, and it would lead ultimately to a complete division of the fund in the appropriation bill, leading to wild scrambles between sections, and would divorce the authority expending it from any discretion or any power in the matter. I congratulate the Senator on having eliminated that very unwise and, I was about to say, indefensible provision.

Mr. HARRISON. Evidently the Senator from Utah was not in the Chamber when the junior Senator from California presented the amendment and discussed it or he might have changed the opinion of the Senator from Utah.

Mr. KING. That may be. The Senator from California has great influence with the Senator from Utah; but I am inclined to think that in this matter his eloquence would have been in vain.

Mr. HARRISON. The Senator from California is temporarily out of the Chamber. I have sent for him so that he can again elaborate upon this subject if he desires.

Referring to amendment numbered 3, relating to investigations, observations and reports, forecasts, warnings, and advices for agricultural interests during the harvest season, was that included or did the Senate recede on that amendment?

Mr. McNARY. What page is that on, please?

Mr. HARRISON. That is on page 15 of the bill.

Mr. McNARY. The Senate receded on that.

Mr. HARRISON. The other important item is amendment numbered 4, about spraying.

Mr. McNARY. The Senate receded on that item.

Mr. HARRISON. As to amendment numbered 5, touching the white-pine blister rust, the Senate receded on that, did it?

Mr. McNARY. I will state to the Senator that the House receded on that item and the $50,000 which was added to the bill for the purpose of scouting work in connection with the infestation of Northwestern States was retained; so the item is $250,000 rather than $200,000, as passed by the House.

Mr. HARRISON. Was amendment numbered 8, with respect to sugar-plant investigation, retained?

Mr. McNARY. The House receded from that, and the Senate amendment adding $10,000 was accepted.

Mr. HARRISON. The Senator from California is now in his seat with respect to his amendment.

Mr. SHORTRIDGE. Mr. President, may I inquire touching the item referred to? I was not in the Chamber when it was brought up.

Mr. HARRISON. I will say to the Senator from California as to the item he had incorporated in the Agricultural bill, which, as I was led to believe, was quite important to the people of California——

Mr. SHORTRIDGE. It certainly was, and is.

Mr. HARRISON. The Senate has receded, or is about to recede when it adopts this report, on that item, and the Senator from Utah [Mr. KING] was just discussing it. He took a different view from that presented by the Senator from California; and I just expressed to him the thought that if he had heard the distinguished Senator from California present this matter he would have the same conviction that I have, namely, that the Senator from California was correct, and that the Senate should not have receded from this item.

Mr. SHORTRIDGE. I thank the Senator for his expressions. I recall the discussion concerning that particular item. I assume that many Senators present also recall what was then said. I made an effort to have the appropriation increased, but under a point of order, which was sustained by the Presiding Officer, my amendment so to increase was ruled out. The upshot of the discussion was that of the $502,000 mentioned in the bill to be devoted to the purposes stated the Senate voted in effect to give permission to the Secretary of Agriculture to devote $150,000 of that sum to California in and about the destruction of these very destructive predatory animals.

Mr. WARREN. Mr. President, will the Senator permit an interruption?

Mr. SHORTRIDGE. Certainly.

Mr. WARREN. Was any reason given, if that amendment was not placed in the bill, why the Secretary could not expend that amount in the Senator's State?

Mr. SHORTRIDGE. An effort was made in the House by Representative RAKER to incorporate that sum in the bill, and make it in effect permissive for the Secretary of Agriculture to expend that amount in the State of California for the purpose named. His effort was unsuccessful, because of a point of order raised.

To repeat myself, if the Senator desires to hear an answer to his question——

Mr. WARREN. If there is an answer to it, I should like to hear it.

Mr. SHORTRIDGE. Yes; I say, an effort was made in the House to have this sum made available for the purpose stated, and to be devoted to the State of California, reasons being assigned. That effort was unsuccessful. The bill came here. I moved to amend it by increasing the amount by $150,000 for those purposes. A point of order was raised and sustained as to increasing the amount, so that the amount devoted to the various purposes was left at $502,000. I believe that was the sum. I then moved to add a proviso, which is found in the bill, that of the $502,000 the sum of $150,000 might be expended in the State of California. In perfect candor I stated that it was not mandatory on the Secretary of Agriculture to devote that amount to that State; that it was permissive; and it took on that form.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. KING. Was there any language in the bill which would have forbidden the Secretary of Agriculture devoting to California for the extermination of predatory animals such portion of the fund appropriated as he deemed necessary and equitable, taking into account the needs of the other States?

Mr. SHORTRIDGE. In a word, I answer "No." Of course, Senators will also recall that I did not forget Arizona or Utah or Colorado——

Mr. KING. Or California.

Mr. SHORTRIDGE. Or other States infested by these predatory animals; but I ventured to call the attention of the Senate to the fact that California was territorially a very large State; that a vast percentage of her lands is public lands; and that of the public lands a large percentage is mountain and forest, the breeding place of these predatory animals, so that, to make an end of the matter, the amendment in the nature of a proviso was an expression, perhaps, of the feeling of the Senate in respect to the State of California and its needs, wherefore the amendment was permissive, not mandatory; and in that fashion it was approved by the Senate and found its way into the bill. I was not in the Chamber when the report of the conferees was taken up, but I see no reason why that expression of the Senate should not remain in the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. KING. In the absence of the Senator and when the item was inquired about by the Senator from Mississippi [Mr. HARRISON], and the able Senator from Oregon [Mr. McNARY] had stated what the action of the conferees was, I suggested that I thought their action in eliminating the proviso which the able Senator from California had had sufficient influence in the Senate to have inserted in the bill was very wise; that where a fund of this character was appropriated for a certain section where there is a good deal of homogeneity, if I may use that expression, with respect to the section and its needs and purposes, I regarded it as rather unfair and unwise to segregate, even by a permissive expression in the bill, the fund itself, because that very permissive expression would be regarded by the able Senator from California, and certainly by his constituents, as being a direction to the Secretary of Agriculture to expend at least that amount in California, and it would be seized upon by those who sought the expenditure of that fund in California as a fulcrum for tremendous propaganda to bring pressure to bear upon the Secretary of Agriculture to induce him to expend the entire sum in that State. So I was very glad when the Senate conferees, out of the plenitude of their great wisdom, saw fit to yield upon this matter of disagreement and failed to follow the distinguished and able Senator from California.

Mr. SHORTRIDGE. I am sometimes reluctantly forced to concede that I have not very much influence. But not to detain the Senate long, in point of very truth that proviso should have been mandatory in its terms. If it were worth while, or I thought my words to be effective here to-day, I would urge that the amount specified be expended in my State. The conditions were such, they are such, as to warrant that expenditure. I sought to have the $502,000 item enhanced by $150,000, the latter sum to be devoted to California, but my effort in that direction was defeated by the point of order raised, not by the other side, if there be two sides in this Chamber, but by mine own particular friends. I had then to content myself with what was done by the Senate. I am not here questioning the wisdom of the conferees, though perhaps all wisdom will not die with them. "If mine enemy had exalted himself before me, peradventure I could have borne it," but mine own particular friends—that is beyond patient bearing.

Mr. KING. Et tu Brute!

Mr. SHORTRIDGE. Has the conference report been agreed to?

Mr. McNARY. It has.

Mr. SHORTRIDGE. What is the immediate matter before the Senate?

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon to agree to the House amendments to Senate amendments numbered 11, 31, 33, and 35, and to recede from its amendment numbered 34.

Mr. JONES of Washington. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. JONES of Washington. If the conference report had not been agreed to in the Senate, would not that be the first proposition to be submitted to the Senate?

The VICE PRESIDENT. The conference report was agreed to.

Mr. SHORTRIDGE. May I ask, for information, as to whether amendment numbered 22 was agreed to?

The VICE PRESIDENT. Amendment numbered 22 has already been agreed to.

Mr. SHORTRIDGE. I move to reconsider the vote by which amendment numbered 22 was agreed to.

Mr. JONES of Washington. That would reopen the whole conference report.

The VICE PRESIDENT. It would be necessary to move to reconsider the vote by which the Senate agreed to the conference report.

Mr. SHORTRIDGE. I make such motion.

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. KING. Do I understand that the statement of the Chair means that the report of the conferees upon all items of disagreement has been agreed to?

The VICE PRESIDENT. Except five items which were reported in disagreement. The others have been agreed to.

Mr. KING. May I inquire further, if the Chair will indulge me, whether that was upon some preceding day?

The VICE PRESIDENT. It was; the 22d of January.

Mr. KING. I was not here and was not advised of it. Then the matters now before the Senate are matters which had not been agreed upon; the bill went back to conference, and this is the final report of the conferees?

The VICE PRESIDENT. The bill went back to the House and the House acted on certain amendments to it.

Mr. SHORTRIDGE. I do not wish to detain the Senate or provoke discussion, but to the end that this particular amendment, numbered 22, may be considered on its merits, I move to reconsider the vote by which the conference report was adopted.

Mr. LENROOT. May I inquire when the conference report was agreed to?

The VICE PRESIDENT. On January 22.

Mr. LENROOT. More than two legislative days have intervened, and I make the point of order that the motion is not in order.

Mr. HARRISON. Mr. President, was this particular item in the conference report which was agreed to?

Mr. McNARY. This particular item was considered by the conferees, of course, and the Senate conferees receded, and on the 22d of January the report was adopted, except as to the five items which are now before the Senate for consideration.

Mr. SHORTRIDGE. Then the report of the conferees was not adopted as a whole, but it was in part adopted.

Mr. NORRIS. Is the item in which the Senator is interested one of the items included in the motion of the Senator from Oregon?

Mr. SHORTRIDGE. I think not.

Mr. NORRIS. The item in which the Senator is interested has already been passed on by the adoption of the conference report?

Mr. SHORTRIDGE. So I am informed.

Mr. WARREN. Mr. President, it is clearly out of order to undertake to reconsider a conference report agreed to on the 22d.

The VICE PRESIDENT. The Chair so rules.

Mr. LENROOT. Mr. President——

The VICE PRESIDENT. The Senator from Wisconsin.

Mr. HARRISON. Mr. President, I did not know I had lost the floor. I only yielded to the Senator from California to discuss what I thought was a very important amendment. I thought I still held the floor.

The VICE PRESIDENT. The Chair will recognize the Senator from Mississippi.

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I do not desire to take the floor.

Mr. HARRISON. I just wanted to inquire about some of the items in the conference report. I remember I asked the Senator from Oregon about the item on page 41, where the Senate amended the appropriation of $110,000, and made it $135,000, for silvicultural, dendrological, and other experiments and investigations with respect to our forests. Did the Senate recede on that item?

Mr. McNARY. The Senate receded on that item so that there would be sufficient funds to erect forest stations in the New England country and the Great Lakes region.

Mr. HARRISON. Did the House recede on the item with respect to the corn borer. The Senate adopted an amendment to that item.

Mr. McNARY. The House receded on that item.

Mr. HARRISON. That is one victory for the Senate, then. The amendment on page 55, amendment No. 22, is the one we have been discussing, which affects California and which the Senator from California has done everything in his power to bring to the attention of the Senate, but which he can not bring to our attention because of the rules. Amendment No. 25 is for the enforcement of the United States grain standards act.

Mr. McNARY. The House receded on that, with an amendment. The amount now appropriated is $541,223.

Mr. HARRISON. The House receded on that?

Mr. McNARY. The House receded, with an amendment. The amount was decreased $5,000.

Mr. HARRISON. There was a kind of a dog fall there. Amendment numbered 27, on page 72, referred to the distribution of the publications on "Diseases of the Horse" and "Diseases of Cattle." Did the Senate recede on that?

Mr. McNARY. The House receded on that item.

Mr. HARRISON. Amendment numbered 28 was a very important one. I recall that the Senator from North Carolina [Mr. OVERMAN] talked a good deal about the black-leg disease. What was done with respect to that amendment?

Mr. McNARY. The Senate receded on that amendment for the reason that the item was not at the proper place, and another provision of the bill takes care of the item.

Mr. HARRISON. So it is taken care of?

Mr. McNARY. It is.

Mr. HARRISON. So the black leg will be treated. Then there was an amendment touching the motor-vehicle proposition. I do not see the Senator from Tennessee in his seat at this time. He has given great study to this motor-vehicle proposition. Was amendment numbered 29 accepted by the House?

Mr. McNARY. Yes; I will say to the Senator from Mississippi that the House receded from its disagreement on that item.

Mr. HARRISON. The Senate was again triumphant.

Mr. McKELLAR. It is always so when it increases appropriations, especially for extravagances of that kind.

Mr. HARRISON. May I ask the Senator from Oregon about that item?

Mr. McNARY. It was to effect an economy in travel from station to station by those connected with the department, that they might receive compensation for gasoline they use rather than hire a vehicle to carry them from place to place.

Mr. HARRISON. Was amendment numbered 30 agreed to by the House, the amendment with respect to the Center Market?

Mr. McNARY. The House receded on that amendment.

Mr. HARRISON. That is a very important amendment. Did the House agree to amendment 31, on page 84?

Mr. McNARY. The House receded on that, with an amendment. The Senate attempted to make the law permanent by using the word "hereafter." The House receded with an amendment so as to make it applicable only for the year 1924.

Mr. HARRISON. What was done with respect to amendment numbered 34, relating to the purchase of seed for drought-stricken areas?

Mr. McNARY. That was in disagreement. It went back to the House, and their conferees' action was sustained, and it is here now before the Senate for action.

Mr. HARRISON. That is one of the amendments now pending?

Mr. McNARY. That and the one relating to maximum salaries.

Mr. HARRISON. Was there a separate vote in the House on that proposition?

Mr. JONES of Washington. They have, and they insisted on their disagreement.

Mr. HARRISON. That, perhaps, will be debated somewhat again, will it not?

Mr. JONES of Washington. It will not be debated by me.

Mr. HARRISON. The Senator must have very strong convictions on the subject.

Mr. JONES of Washington. I am convinced that the House would not recede, and I think it would be a waste of time to discuss it in the Senate.

Mr. HARRISON. What was done with respect to the amendment regarding the barberry bush?

Mr. McNARY. I think I answered an inquiry in regard to that propounded by the Senator from Mississippi a few moments ago.

Mr. HARRISON. No; I did not ask with respect to the barberry. I asked with respect to the corn borer and the Mexican bean beetle, I believe it is called, and the sweet-potato weevil, but not this particular item.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. I am afraid my friend is more interested in asking questions than listening to the answers, because the Senator from Oregon explained that item a moment ago.

Mr. HARRISON. I did not see my friend from Wisconsin present when barberry came up. It is so closely allied to some other names that are nearly like "barberry" that I really did not pay attention to the answer.

Mr. McNARY. Answering the Senator from Mississippi, the House provided $350,000. The Senate added $150,000, making a total of $500,000. We compromised on the basis of $425,000, with $125,000 to be used in cooperation with the various States where the infestation occurs.

Mr. HARRISON. Mr. President, on yesterday the President of the United States, through the Vice President, delivered an address to the heads of the departments of the Government in

the city of Washington. He praised the Bureau of the Budget. He assumed responsibility for the estimates that had been submitted to the Congress. In the closing sentence of that address the President of the United States said:

I tender my thanks and appreciation for services rendered.

In the course of the speech, however, the President said——

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Before the Senator continues his speech would he be willing to yield, that I may submit a unanimous-consent request?

Mr. HARRISON. Yes; I yield for that purpose.

RURAL-CREDIT FACILITIES.

Mr. LENROOT. I ask unanimous consent that beginning to-morrow at 1 o'clock, if the rural credits bill (S. 4287) has not then been disposed of, all debate upon the bill be limited to 20 minutes upon the bill and to 10 minutes upon any amendment pending or that may be offered.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Is there objection to the request of the Senator from Wisconsin?

Mr. HARRISON. Let the Secretary state the proposition, so we may understand it clearly.

The ASSISTANT SECRETARY. That from and after 1 o'clock p. m. on to-morrow no Senator shall speak more than once or longer than 20 minutes upon the bill, nor more than once or longer than 10 minutes upon any amendment that may then be pending or that may be offered.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Gooding | McCormick | Smith |
| Ball | Hale | McCumber | Smoot |
| Borah | Harris | McKellar | Stanfield |
| Brookhart | Harrison | McNary | Sterling |
| Cameron | Heflin | Nelson | Sutherland |
| Capper | Hitchcock | New | Swanson |
| Caraway | Johnson | Norbeck | Townsend |
| Couzens | Jones, Wash. | Norris | Trammell |
| Culberson | Kellogg | Oddie | Underwood |
| Curtis | Kendrick | Overman | Wadsworth |
| Ernst | King | Phipps | Walsh, Mass. |
| Fletcher | Ladd | Poindexter | Walsh, Mont. |
| Frelinghuysen | La Follette | Pomerene | Warren |
| George | Lenroot | Ransdell | |
| Glass | Lodge | Shields | |

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present. Is there objection to the unanimous-consent agreement proposed by the Senator from Wisconsin [Mr. LENROOT]?

Mr. UNDERWOOD. Let the request be stated.

The PRESIDING OFFICER. The Secretary will state the proposed unanimous-consent agreement.

The ASSISTANT SECRETARY. That from and after 1 o'clock p. m. on to-morrow no Senator shall speak more than once or longer than 20 minutes upon the bill, nor more than once or longer than 10 minutes upon any amendment that may then be pending or that may be offered.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. HARRISON. Mr. President, reserving the right to object, let me say that there are some very important amendments to the bill, and there are some of us who up to this time have not discussed the particular measure now pending. We very much desire to discuss it at the proper time. It is foolish to attempt to discuss an amendment before it is pending. On yesterday I offered two amendments to the bill, one which would compel the Federal Farm Loan Board to locate in each agricultural or live-stock State a branch bank or agency where a Federal land bank was not located in that particular State. I have an idea that we ought to carry this proposition just as close to the people as it is possible. I believe that by the establishment in each State of an agency or branch bank more people would have an opportunity to take advantage of the provisions of the bill, more people would come within the provisions of the bill, and greater relief would be carried to them. I have every hope that the amendment will be agreed to. If there is any opposition to it, there ought to be full discussion of it, and no one, not even the Senator from Wisconsin, with all his ingenuity and splendid ability, could properly discuss it in 10 minutes. Yet if the unanimous-consent request should be granted we would be precluded from talking longer than 10 minutes on an important amendment like that.

I offered another amendment yesterday. Those amendments, perhaps, are not any more important in the opinion of various individual Senators than the amendments which they themselves have offered. The other amendment which I offered would permit the credit association to loan directly to the individual. Senator after Senator has stated that he would be glad to see such a system put in operation; that certainly it would remove the increased interest rates which a bank would be permitted to charge upon the individual when they discount the individual's paper, and then go to the credit association and get the paper rediscounted. In other words, we will open up a channel or an avenue so that the individual may go direct to the credit association and borrow money if he has adequate security. That is an important amendment. That is an amendment which would bring sure enough relief to the farmers of the country, and would remove an overhead in interest charges that would be tremendous.

Does any one mean to tell me that an amendment of such magnitude and importance as that could be discussed by any Senator within the limit of 10 minutes? It is too important for such a limitation. Free and full discussion should be allowed on all the amendments that may be offered and upon the merits of the bill.

The distinguished Senator from South Dakota [Mr. NORBECK], laboring in behalf of the farmers of the country, wants agricultural relief. He believes the best way to get it is through what is known as the Norbeck bill. There are others who hold different views. We think the best way to get real legislation at this time is through the pending measure, with some amendments. The Senator from South Dakota will, no doubt, offer his bill at some stage of the proceeding as a substitute for the pending bill or in some other form, and a matter of such tremendous importance as that can not be discussed in 10 minutes.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Mississippi to the fact that while the question of a unanimous-consent agreement is subject to debate, if the Senator desires to object, the motion of the Senator from Oregon [Mr. MCNARY] to agree to the amendments of the House to certain amendments of the Senate to the Agricultural Department appropriation bill is now pending.

Mr. HARRISON. I had hoped that I might convince the Senator from Wisconsin [Mr. LENROOT] that his unanimous-consent request is not reasonable, that the time is too short, and that the unanimous-consent request might be withdrawn at this time. After we have discussed the bill in all its phases, as the Senate has done other measures from time immemorial, then we could agree on a unanimous-consent request that might take care of the situation. For that reason I reserved the right for the moment to object, thinking we might agree to something satisfactory to all.

Mr. FLETCHER. May I suggest to the Senator that the War Department appropriation bill has been reported to the Senate, and the practice has been to consider appropriation bills, I believe, prior to considering other measures. We are not certain how long this particular bill may be before the Senate for consideration, or when it may be laid aside in order to take up an appropriation bill. Therefore, I think it is hardly fair to ask to limit debate upon the bill at this time.

Mr. HARRISON. I was going to come to that.

The PRESIDING OFFICER. The Chair understands the Senator from Florida objects.

Mr. HARRISON. I hope the Presiding Officer will be very patient with us. This manner of discussion is about as good as any other way to discuss the proposition. There has been no call by any Senator on the other side of the Chamber for the regular order. I dislike to object to the unanimous-consent request, and I thought, perhaps, after we had exchanged views here we might get together upon a unanimous-consent agreement to vote at a certain time upon the bill; but certainly at this time we ought not to limit debate on amendments and on the bill to the short time which is proposed in the suggestion which has been made.

Mr. LENROOT. Does not the Senator from Mississippi think that if Senators would be willing to devote themselves to the consideration of the bill and to cut out extraneous subjects, in the discussion of which I thought the Senator from Mississippi was about to indulge when I asked him to yield to me, we could discuss the very matters to which the Senator has referred, and dispose of them before the limit would begin on debate on the pending bill?

Mr. HARRISON. The Senator says that if we would confine our remarks to the bill, and if I would stop what he thought I was going to say when he interrupted me, the bill might be speedily disposed of. The Senator does not do me justice. The matter which was before the Senate was a motion by the Senator from Oregon [Mr. MCNARY] touching the conference report on the Agricultural appropriation bill. In connection

with that a question arose with respect to the estimates of the Budget Bureau, and I was just starting with a discussion of the Budget Bureau and the expressions of the President yesterday relating to its activities. Then I was going to try to get down to this particular item in order to show that the President had condemned what the Senate did the other day in surrendering to the Budget Bureau all of the power of the Senate to increase an appropriation, although the increase was warranted by all the facts and by the statements of experts; so that so far as confining the discussion to the merits of the subject is concerned, I was going to discuss the merits of the proposition when the Senator from Wisconsin interrupted me.

Mr. LENROOT. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. Yes; I yield.

Mr. LENROOT. Will the Senator indicate how long he will take in order to develop that very interesting subject in all of its ramifications?

Mr. HARRISON. If the Senators on the other side would not interrupt me and cause me to branch off on side issues, it would not take very long.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield to the Senator from Iowa.

Mr. BROOKHART. I desire to offer as an amendment to the proposed unanimous-consent agreement that consent also be granted that there shall be no further consideration of the ship subsidy bill at this session of Congress.

The PRESIDING OFFICER. The Chair will hold that the unanimous-consent proposition submitted by the Senator from Wisconsin has been objected to at the present time. The question recurs on the motion of the Senator from Oregon [Mr. McNARY].

Mr. HARRISON. Mr. President, I desire to propose a unanimous-consent request. I ask unanimous consent that not later than 4 o'clock on next Tuesday all debate close upon the agricultural credits bill, so called; that we begin at that hour to vote upon any amendment that may be then pending until the bill is either passed or defeated; and that during that time no other matter shall be brought before the Senate for discussion or passage except by unanimous consent.

Mr. LENROOT. Mr. President, I am constrained to object to that request, because I feel certain that we shall dispose of the bill before that time without any limit of debate of the character suggested by the Senator from Mississippi.

The PRESIDING OFFICER. Objection is interposed.

Mr. LENROOT. I wish again to announce, in view of the failure of the Senate to come to any agreement for the final disposition of the bill, that I shall ask the Senate, beginning to-morrow night, if the bill shall not by that time have been disposed of, to sit in evening session until it shall be disposed of.

Mr. HARRISON. I am very sorry that the Senator from Wisconsin has objected to my request for unanimous consent. I tried to point out—though I did not finish because of an interruption—why I thought the unanimous-consent request made by the Senator from Wisconsin was not exactly fair. I had referred to the very important amendment which will be offered by the Senator from South Dakota [Mr. NORBECK]. It will be recalled also that the Senator from North Carolina [Mr. SIMMONS] has an amendment, in the form of a bill, I believe, heretofore introduced by him. It is a very good bill and a very important proposition. He has very strong views with respect to the merits of his bill, and I understand he may offer it in the form of an amendment as a substitute for the pending bill. To try to confine that Senator to a 10 minutes' discussion of so important a question, I say is most unreasonable.

Under the proposal that I made, if we had secured such a unanimous-consent agreement, within six days or a week the debate would be closed, and we could vote upon the agricultural credits bill, after disposing of all amendments. So we could proceed in an orderly way throughout this week without killing Senators by holding night sessions, and compelling them to answer roll calls, and at least half of the time about 99 per cent of the Senators absenting themselves from the Chamber and paying no attention to the discussion. If the proposal which I made had not been objected to, the agricultural credits bill would be out of the way and over to the House of Representatives by next Tuesday night. We could then take up the Army appropriation bill, which is the only appropriation bill, I believe, yet remaining to be considered by the Senate; we could take up measures by unanimous consent and could pass them; but now, under whip and spur of the Senate majority, we are to be compelled to attend night sessions, to meet at 11 o'clock in the morning, with the hope that the pending bill may be passed by to-morrow or Thursday. The Senator from Wisconsin knows it can not pass by that time; no Senator here believes it can pass by that time; and if there is anybody in the country who thinks it can be passed by that time, he is laboring under an erroneous impression.

I violate no secret when I say that at least some of us on this side of the Chamber want to see every appropriation bill passed during the present session of Congress; we want to see the agricultural credit legislation enacted into law before the 4th day of March, and we are willing to cooperate, as we have cooperated up until this good hour and will continue to cooperate, until those two things have been accomplished. When, however, we have said that, we stop, because we are not going to cooperate with the Republican side in the effort to pass through the Senate and through the Congress a ship-subsidy proposal which we believe will increase the burden of taxes upon the American people through subsidy to a shipping trust in the amount of $750,000,000 or more. The Senators on the other side are aware of our plan. If they want us to cooperate so that we may proceed in an orderly way and pass much proposed legislation that is now on the Calendar and that is needed by various localities, that has been promised by numerous Senators, many bills could be taken up by unanimouns consent and passed after brief discussion and consideration. If Senators on the other side want that, if they want cooperation to that extent, we will give it to them; but if they expect to use strong-arm methods and to hold night sessions in order to ram through this Congress a ship subsidy bill, then I tell them there will be a little trouble encountered on this side of the Chamber and I believe from certain Members on the other side of the Chamber.

When I make that statement I am not talking as a member of the Democratic Party, because if I were to speak as a Democrat I would wish the Republican majority to pass a ship subsidy proposal. I know nothing that would more inure to the benefit and advantage of the Democratic Party than to have the present administration top off the work of this Congress by passing legislation that would impose additional burdens upon our now oppressed taxpayers in the sum of $750,000,000 or $850,000,000. If that measure were passed, all the eloquence possessed by the distinguished Senator from Massachusetts, by the Senator from Wisconsin, and by the Senator from Washington, and all the activities and eloquence of various Members of the Cabinet could not answer for such action as that.

So my efforts against the ship subsidy bill is as an American, in order to save the taxpayers of this country from further burdens. So I say to Senators on the other side that if I would lay aside my Americanism and act merely as a partisan I would want to see them pass the ship subsidy bill; but I am not willing at this time, when the farmers throughout the country are receiving unremunerative prices for their products, when laborers' wages are being threatened with reduction, when the consuming masses are being extorted and gouged by profiteers in every city and village and hamlet throughout the country, when taxation is crowding itself day by day in increased volume upon the people, to see this outrage perpetrated when it can be prevented.

The Republican majority have done so many foolish things since they came into power that some of us would exert ourselves in order to save them from their own folly. So after the 4th of March I think I can see the Senator from Massachusetts, the leader of his party in this Chamber, and other majority Senators come over to the Senator from Florida [Mr. FLETCHER], come over to my friend from Michigan [Mr. COUZENS], and to my friend from Iowa [Mr. BROOKHART], and over to me and shake our hands, pat us on the back, and say, "Boys, I am mighty glad you did it." Why, you ought to feast us and dine us after the 4th of March for saving you from the folly of passing the ship subsidy bill.

So, Mr. President, why can we not proceed in an orderly way, and all of us get along nicely by meeting here at 12 o'clock or, if necessary, sometimes at 11 o'clock, work our six or seven hours in the day, discuss these measures as they should be discussed, pass the Army appropriation bill, as expressed by a majority of this body, pass the agricultural credits bill, pass these bills that are upon the calendar that have been promised the people, and abandon this idea of passing a ship subsidy bill at this session?

You know you are not treating the people fairly when you attempt to do it. You are not just on the level with them when you bring this bill in at this short session and try to force it to enactment. Why, you know if you had told the American people in the last campaign that you intended to follow this

procedure more of you would have been lost in the catastrophe than did fall by the wayside. Why did you not tell them at the time that immediately after the election an extra session of Congress would be called and that you would propose this legislative monstrosity to add further burdens to the taxpayers of America? But you did not do it. The only hint that was given, the only suggestion that came with respect to the ship subsidy bill and an extra session of Congress, was when the Speaker of the House of Representatives, Mr. GILLETT, and the leader of the Republicans in the House, Mr. MONDELL, visited the White House, held a conference with President Harding, and one of them, upon coming out of the White House, in talking to a newspaper reporter, let the cat out of the bag and said that the President was going to call an extra session of Congress.

Why, I could hear it whispered among the leaders over there, I could hear it among Republicans everywhere, that it was poor politics for the President even to think of such a thing, and they condemned the Speaker of the House of Representatives and the leader of the Republicans in the House for having given such a statement to the press, saying "That in itself will lose us millions of votes in the coming election." So through the days intervening between the publicity of that statement and the election Republican leaders and spellbinders all over the country were busy trying to repudiate those statements and raise a doubt in the minds of the American people as to whether or not the President intended anything thereby; but as soon as the election is over, with a crowd of distinguished lame ducks who have my sympathy and whom I love—they carry back to their homes and their States my fondest respect and very best wishes—I say to them, I say to you who control in this body the destinies of the Republican Party to-day, and to those at the other end of Pennsylvania Avenue, that it is not fair to the American people to take the votes of Senators who have been repudiated at the polls and pass through this body a ship subsidy bill that means so much to the American shipping interest and so much to the American taxpayer. If you want to be fair with them, follow orderly procedure here; call an extra session of Congress immediately after the 4th of March, composed of new Senators, composed of Representatives of the American people fresh from the people, whose wishes were expressed to their constituents, whose views were known, and let them handle the ship subsidy bill as they will in that extra session of Congress.

No; you do not want an extra session of Congress. You do not want these new Representatives and Senators fresh from the people to deal with this question. I dare you to follow that procedure. There is not a Senator here who believes that if this proposal should be given to the new Senate and to the new House of Representatives it would stand a chance even of getting out of the Commerce Committee; and none of you think or have a thought that you could pass it through the Senate of the United States. Why, you know now that if it should come to a vote there would not be two votes difference on the measure; that if you passed it, it would be merely by the skin of your teeth, so to speak; and with a great change after the 4th of March in the personnel of this body and of the House of Representatives, you know that it would not stand any chance at all.

So I submit to you leaders over there that you should follow in the orderly way your program. Let us get through with the Army bill. Let us get through with the agricultural credits bill. Let the President take the American people into his confidence; and oh, why do not some of you advise him? Why do not some of you tell him what to do? God knows he does not know what to do, or, if he does know, he gives no evidence of it. Why do you not tell him the deplorable situation, not only in this body but in the House of Representatives and all over the country? Why do you not lay aside your flattery and go up there and say: "Mr. President, you are losing caste. You have lost the popularity that swept in a mighty wave over this country during the days of the Disarmament Conference. The folks in every State and in every part of the country have been disillusioned. They are tired of waiting on your negative, do-nothing policy. They want to be told what is going to happen to-morrow by the Government that runs affairs." Tell him how he is losing caste with the labor element, how he has lost caste with the farmers, how business is halting, and how disgusted all classes are. Tell him of some of the private things you hear here touching the management of foreign affairs and of domestic policies. Be on the square with your President. Open his eyes to the true situation, and tell him, if you will, that if he does not wait until an extra session of Congress is called to force through this last monstrosity the American people will lose all faith—and they have mighty nearly lost all faith now—in the Republican Party.

I do not want to see you disappear from view entirely. God knows I do not mind your shriveling up a little bit; but we want to have a foemen that is worthy of our steel, and the way you are going down grade there will not be a respectable minority in this country to fight and withstand the onslaughts of Democracy two years from now. So, now, take the President into your confidence. Take into your confidence Mr. Lasker, who says he going to resign if you do not pass this bill. He is not going to resign. This is the best job he ever had in the world. He likes it; but tell him the situation, and put it up to him that he should have more interest in the welfare of the Republican Party than he has in a shipping trust that wants to extort greater taxes from the people.

I have said this much in the hope that it might help you. I have given you this advice without suggestion from you and without expectation of reward, and I hope you will follow it.

Let me plead with the distinguished Senator from Washington [Mr. JONES] and the distinguished Senator from Wisconsin [Mr. LENROOT] and the distinguished Senator from Kansas [Mr. CURTIS], in the interest of expediting legislation, that they will agree to the request that I made. If they will, if they will just say they will, we will call a quorum, I will make again the proposal which will insure the agricultural credits bill being passed by next Tuesday night, we can then get to work on the Army bill, and we will have a good time from now to the 4th of March.

Mr. LENROOT. Mr. President, will the Senator yield? If there is bound to be a filibuster—of course that is the right of any one under the rules—will not the Senator postpone that until after this agricultural bill is passed? Will he not consent to consider the very important amendments of which he speaks? Will he not please let us consider this bill?

Mr. HARRISON. Mr. President, I see that my remarks have had no effect at all upon the Senator from Wisconsin. He is just a hardened political sinner. He is beyond redemption. The Senator from Wisconsin is generally as fair as he is able. He made a speech yesterday—I was surprised when I read it, but I saw it in the RECORD this morning—and in the course of those remarks he said that there was great delay with respect to this agricultural credits bill, and he charged the delay to the farm bloc in the Senate of the United States.

Mr. LENROOT. The Senator is wrong about that. The statement was made by the Senator from South Dakota, who charged delay. My response was that there was delay, but the fault for delay was with the farm bloc.

Mr. HARRISON. Here is exactly what the Senator said, and it gives the impression that the fault of this delay is with the farm bloc. Here is what the Senator said:

> Mr. President, I merely raise this question because of the intimation of the Senator from South Dakota, made in the utmost good faith, that somebody—he did not say who—was responsible for this agricultural credit bill being brought in at this late date. I would like to have the record straight. This bill was introduced by me more than a year ago. I secured very promptly the appointment of a subcommittee of the Committee on Banking and Currency. On March 10, 1922, almost a year ago, I appeared before that subcommittee and argued in favor of the passage of this bill. At the request of members of the farm bloc I did not press the bill, because it was represented to me that the farm bloc were discussing the whole question of farm credit legislation and would like to have the Committee on Banking and Currency take no action until they were ready to make some report. I acceded to that, and, in view of that fact, I do not think it is quite fair to apply any criticism to me or to the Committee on Banking and Currency when, if there be anyone responsible for the delay in this credit legislation, it is the farm bloc itself; and I am not criticizing them.

Mr. President, I do not know that anybody in particular is to blame for the delay of this legislation. I am not charging that the Banking and Currency Committee of the Senate is to blame. I know that the farm bloc is not to blame. I know that the Commission on Agricultural Inquiry, of which the Senator was a most influential member, was not to blame. I will tell you where the blame was—not with the Banking and Currency Committee particularly, although this matter did lie dormant for a long time, just sleeping, so to speak, and evidently they forgot about the splendid argument presented to the subcommittee by the distinguished Senator from Wisconsin after he had made that argument, because then the matter lay in abeyance for quite a good long while.

Mr. President, the first suggestion as to agricultural credits legislation at this time came either from members of the farm bloc in the Senate or from the Commission on Agricultural Inquiry. The Commission on Agricultural Inquiry began work soon after the Republicans got into control of the Congress, and we studied the question and reported out a bill. There were many divergent views with respect to that legislation. It might be very truthfully said that the Commission on Agricultural Inquiry delayed the proposition, if the Senator

could be correct in what he said about the farm bloc, because the Commission on Agricultural Inquiry took weeks, aye, I may say months, in order to form conclusions and write a bill; but during all that time we were having hearings, we were drawing from every part of the country experts who we believed could give us some good suggestions. We called in the head of the Federal land bank system here; we called in Mr. Meyer; we called in everybody whom we thought might aid us in coming to a conclusion with respect to the matter.

The Senator knows that we worked diligently; he said so in his speech. I agree with him that no commission ever worked more diligently than did that particular commission. They worked at night, and I think it was during the time the tariff bill was being discussed in the Senate, and many other matters were before us for discussion; but we finally agreed upon a measure and it was reported by the Senator from Wisconsin.

Is it to be said the farm bloc delayed things? The farm bloc appointed a subcommittee to work out this proposition so that the views of various Senators might be reconciled, and we could present to the full farm bloc, and in turn the farm bloc agree upon some method by which we could put the whole force of the farm bloc behind the proposition. Although the tariff was being discussed in the Senate at that time and other important matters were before the Senate, that subcommittee worked day and night. They called in witnesses from far and near, and finally they agreed that the Lenroot bill was perhaps the best bill that could be passed during this session. That subcommittee of the farm bloc, in doing that, did not discount the splendid merits of the Norbeck bill; it did not intend to discredit the splendid provisions of the Simmons bill, but it believed that we could obtain some legislation giving to the farmers an agricultural credits system by urging the passage of the Lenroot-Anderson bill, and not the Norbeck or the Simmons bill.

All the measures seek to do the same thing; all represent efforts to serve the farmers, to give to them credit for such time as will take care of their turnover from production to harvest time. I do not speak in disparagement of the Lenroot bill, because I think it is a wise proposal. I want to see some amendments made to it, but as a whole it affords a splendid system, well worked out, and one which will bring untold benefits to the agricultural interests of the country; but in my opinion the thing which moved the subcommittee of the farm bloc more than anything else to indorse the Lenroot bill, with certain modifications, was that the members of the farm bloc, as well as some other friends of the farmers in this body who were not members of the farm bloc, had crystallized public opinion in this country to the extent that some agricultural credits bill must be championed by this administration, and must be passed by Congress. That crystallization of public opinion, I say, was brought about through the activities of the farm bloc and the friends in this body and in the other Chamber of agricultural credits legislation.

The Senator who sits before me [Mr. BROOKHART] is a splendid successor to a most distinguished ex-Member of this body, Senator Kenyon, who when he was a Member of this body lifted his voice in behalf of the farmers of the country, and after he called meetings night after night of the farm bloc in his committee room and they discussed these problems meaning so much to the farming interests of the country would announce to the press what they had done, and the press of the country would carry it everywhere. In that way sentiment was crystallized for agricultural credits legislation. In my humble opinion, if it had not been for the organization in this Congress of a farm bloc little or nothing would have been done for the great agricultural interests of this country. The farm bloc forced the cooperative marketing bill through this body. The farm bloc helped in the passage of packer legislation. The farm bloc stood here as mighty champion for the people, trying to withstand assaults on the revenue laws, so that Senators on the other side would not take off the high surtaxes from the rich of the country and place them where they could be least easily borne. It was the coalition formed by Senators on this side and a few on the other side, and championed by the farm bloc, that held the surtaxes as high as they were kept, over the suggestion and against the protest of President Harding and Secretary Mellon.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. HARRISON. In one moment. It will not be forgotten how the Secretary of the Treasury sent his messages and reports here asking us to reduce the surtaxes from 68 per cent, I think, down to 25 per cent, and how the President brought to bear the power and influence of his office to get it down to 32 per cent; but he did not succeed, because of the farm bloc, the coalition between the Democratic forces in this body and the progressive Members of the Republican Party. Now I yield to my friend from Massachusetts.

Mr. WALSH of Massachusetts. I was simply going to remark that in enumerating the great benefits the farm bloc have rendered to the country, I hoped the Senator would not forget to enumerate the excessively high tariff duties levied upon raw wool, due largely to the farm bloc.

Mr. HARRISON. That illustrates one of the troubles we encounter. There has been a certain element in this country that has attempted to make the people believe that the farm bloc indorsed those conscienceless rates on wool and on sugar, and yet the farm bloc at no meeting it ever had ever considered the question of a tariff on everything. The men who for the most part conspired to put the high tariff on wool were not members of the farm bloc. Some of the influential members of the farm bloc were particeps criminis to the other proposition, but the crowd which put the high-tariff duties on raw wool was what was known as the tariff bloc, and was headed by the distinguished junior Senator from Idaho, my friend Mr. GOODING. So the farm bloc had nothing to do with that piece of legislative monstrosity.

Mr. FLETCHER. Mr. President, I want to confirm what the Senator has said to the effect that there has been some misuse of the term "farm bloc." As the Senator from Mississippi has observed, the farm bloc never attempted to consider tariff matters or any party question. Afterwards some members, perhaps of what was known as the farm bloc, engineered some provisions in the tariff bill, and it got to be known as the farm-bloc movement in connection with the tariff; but it was entirely distinct and separate, and not in any wise properly lined up with what was known as the farm bloc.

Mr. WALSH of Massachusetts. Do I understand that the junior Senator from Idaho [Mr. GOODING], the junior Senator from Oregon [Mr. STANFIELD], the senior Senator from Wyoming [Mr. WARREN], and the junior Senator from New Mexico [Mr. BURSUM] are not members of the farm bloc?

Mr. HARRISON. I know that some of them are members of the farm bloc. The Senator omitted to state the senior Senator from Utah [Mr. SMOOT]. He should not leave out that good shepherd.

Mr. WALSH of Massachusetts. I quite agree with the Senator. They certainly are members of the wool bloc.

Mr. HARRISON. Yes; they certainly are members of the wool bloc. They are all wool and a yard wide. So much for the tariff bloc and the farm bloc. They are distinct and different entities.

I say that the farm bloc was the one that crystallized public sentiment in this country for agricultural credits legislation. Are we to be blamed now for delaying two or three days, say, so that we can adequately discuss the agricultural credits bill, when we know it is going to pass, a bill we are all in favor of, though some of us want to put amendments to it, when 12 months or more ago the Senate, controlled by the same leadership that now controls it, worked here for months to consider and have passed the tariff bill, a measure laying greater burdens on the people, while this one is to relieve the people of many burdens; yet there was no enthusiasm upon the part of the leadership on the other side during those long days that the tariff bill was being discussed in order to force an agricultural credits bill through at that time.

This bill would not now be considered in the Senate, and everyone who hears me knows it; it would have no chance in the world to be passed if it had not been that the President became aroused over the interest among the public for agricultural credits legislation. Indeed, he did not become aroused until the late election was held, and when the ides of November rolled around, and he saw this friend laid on the table, and this friend laid on the shelf, and he saw my friend from Illinois [Mr. MCCORMICK], seeing the breaker coming, get on the boat and sail across the placid waters of the Atlantic, cabling as he went away what would happen the next day to the Republican Party—it was only when the President saw those things that he became alive to the issue, and wanted some agricultural credits legislation. The first time the President ever hinted at any legislation for the farmers was in his message on the ship subsidy bill. He devoted about 55 minutes to a ship subsidy measure, to give to the shipping interests all these subsidies at the expense of the people, and two lines, which my friend Eugene Meyer evidently persuaded him to put in, touching agricultural credits legislation.

By the time the Congress convened in the regular session he had become wiser. Some of the members of the farm bloc had obtained an entrée to the White House. They had poured into

his ear some of the things the farmers of the great Middle West were saying about the Congress and the administration. He listened to their admonitions, and then it was that he incorporated in his message an urgent request for agricultural credit legislation. Why did he not do that way back yonder when the agricultural inquiry commission had made its report, when the distinguished Senator from Wisconsin [Mr. LENROOT] had originally introduced the bill? If he had desired to do something for the farmer, that was the time. The tariff bill should have been laid aside and agricultural credits discussed then. Yes, Mr. President, everyone knows that it was the farm bloc that forced the hand of the President and caused him to make the request of Congress to enact agricultural credits legislation.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Does not the Senator remember that more than a year ago the President called an agricultural conference which met in Washington? Does not the Senator remember the President's speech to that conference?

Mr. HARRISON. Will the Senator repeat his question? I did not hear him clearly.

Mr. LENROOT. Does not the Senator remember that more than a year ago the President called an agricultural conference to meet here——

Mr. HARRISON. Oh, I was just coming to that. I am glad the Senator suggested it. It shows the importance of the part of the speech I am now going to make.

Mr. WALSH of Massachusetts. I hope the Senator will not overlook the fact that the present administration has substituted for a "watchful waiting" policy a "happy, hopeful" policy.

Mr. HARRISON. Yes; that is what our friend William Allen White said—a happy, hopeful policy instead of a watchful waiting policy. I do not know just how a fellow would feel if he was in a happy, hopeful way. He looks perfectly happy. He is sitting there with the whole world filled with uncertainty, threatened war all around us, discontent in this country, and yet he is supposed to be the watchman on the tower, but assumes a hopeful attitude. Then all of a sudden he becomes happy over this hopeful attitude. Not suggesting anything, not planning anything, not conferring with those in authority around him to arrive at a policy, yet in all this mess and mass of discontent our President assumes a happy, hopeful attitude.

So that is the compliment that is paid to the President by a distinguished Republican from the State of Kansas. I do not see my friend, the senior Senator from Kansas [Mr. CURTIS], now in his seat. He probably thought I was going to talk about William Allen White and left for that reason. "Happy, hopeful attitude!" Ten thousand times better is it for a President to assume a watchful waiting attitude than a happy, hopeful attitude.

Mr. President, the Senator from Wisconsin [Mr. LENROOT] recalled to my mind an agricultural conference that was called in Washington, which the President addressed. One of the things said about that conference was the lack of applause and commendation through the crowd over one expression used by the President at that time. That expression was carried by the press all over the country and was read by the farmers of Iowa and Kansas and the other Western States. It was the expression employed by the President condemning the farm bloc of the United States Senate. Oh, they reported the coldness that enshrouded that meeting when he let loose his invective and condemnation of the farm bloc.

That, it will be recalled, was only a little while after Secretary of War Weeks had spoken at a banquet in New York City, a banquet that was attended by national bankers in large part and by the great manufacturers of that great metropolis. He was in his atmosphere there. He was among his friends in that gathering at that time. Oh, will you men from the agricultural West ever forget what Secretary of War Weeks said against the farm bloc and the members of the farm bloc? If you ever forget, how will you explain to your constituents, when you go before them two years from now, with reference to what he said against legislation that was forced through the Congress by the farm bloc?

That is the treatment the farm bloc gets at the hands of the administration. Not until its work was displayed throughout the country and sentiment crystallized was it that the President came to Congress and recommended the enactment of agricultural credit legislation. His attitude in this particular is a good deal like his attitude when the great Senator from Idaho [Mr. BORAH] offered his resolution to call a disarmament conference. At first the President stood adamant. He said "no." The wires were busy from here to the other end of Pennsylvania Avenue. Leaders on the other side of the aisle talked to him and held up the provision in the naval appropriation bill. For weeks we talked. On this side of the Chamber we were lined up solidly for the Borah resolution. A few progressive Republicans on the other side stood side by side with the great Senator from Idaho.

Finally the country became aroused. They saw taxes piling up. They saw the heavy armaments being constructed. They read and saw for themselves that the naval appropriation bill in 1912 carried only $160,000,000, while in 1922 it was $560,000,000. They saw that in 1912 the Army appropriation bill carried only $100,000,000, while in 1922 it had risen to $350,000,000. So they became aroused.

The press of the country began to carry editorials. They brought pressure to bear on the President, and then he threw up the white flag and surrendered and sent word down to the distinguished Senator from Washington [Mr. POINDEXTER] and the distinguished Senator from Maine [Mr. HALE], "Let it pass, boys, let it go through." From that day on the President was carrying the flag and the Secretary of State was trailing behind, both claiming all the credit for the disarmament conference. The disarmament conference has come and it has gone. Nobody knows now whether any country has ratified any of the treaties except the United States.

Thus it goes. Of course, we were led to believe then that taxes were going to be reduced, and yet the naval appropriation bill passed during the present month carried practically three times as much as the naval appropriation bill carried in the preparedness days immediately preceding the war when the highest amount was $160,000,000. We have had reported from the Committee on Military Affairs, notwithstanding the disarmament conference, an appropriation bill carrying for the Army $350,000,000, over three times as much as during the preparedness days immediately preceding the war.

Thus it is and thus it was that the President came to advocate agricultural credits legislation, and yet the Senator from Wisconsin [Mr. LENROOT] chides us and says that the farm bloc was the cause of a great deal of delay.

Mr. President, I do not know that it is necessary for me to talk any more about the subject. I do not know just what is before the Senate. I think the Senator from Oregon [Mr. MCNARY] has a motion pending?

Mr. MCNARY. That is correct.

### AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate resumed the consideration of the motion of Mr. MCNARY that the Senate concur in the amendments of the House to the amendments of the Senate numbered 11, 31, 33, and 35 and recede from its amendment numbered 34 to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. HARRISON. Mr. President, I desired to discuss the motion of the Senator from Oregon [Mr. MCNARY] some two hours ago, but the Senator from Wisconsin [Mr. LENROOT] got me off on another proposition. I shall now proceed to discuss the motion. When I was diverted I was about to discuss a speech that was made yesterday by the President of the United States. I had read the latter part of that speech where he expressed gratification over the fact that various men in the Government service had cooperated with him in a reduction of the estimates.

I was about to read, when I was interrupted, that part of the speech where the President had impliedly condemned the Senate for its attitude recently when we offered on the floor of the Senate amendments that had merit, but which did not have the sanction of the Bureau of the Budget and which had not been estimated for. I want the distinguished Senator from Kansas [Mr. CURTIS], who is now in the Chamber, to listen to me particularly when I read this part of the President's address. The President said:

> It is the endeavor of the President to present to Congress calls for funds that are sufficient, and no more than sufficient, to carry out approved policies.
>
> It is the duty of the President to estimate for those that are sufficient, said the President.
>
> The Budget and accounting act places no limitation upon the power and right of Congress to increase or decrease estimates submitted—
>
> Said the President.
>
> This is in accord with the spirit of our institutions, and as it should be.

Mr. President, that reads like the eloquent speeches the President once made to the Senate when he talked about the dignity of the Senate and protested against Executive encroachment. Again, he gives utterance to the expression that

the Senate has the right and should exercise the function that is imposed by the Constitution of the United States. The President proceeded:

It is my hope and expectation that, as the Budget procedures develop, the estimates transmitted to Congress will be so carefully prepared and will present so accurate a picture of the real operating needs of the Government as materially to lighten the burden. But it is not expected or desired that Congress should relinquish any of its prerogatives regarding public funds—prerogatives so wisely given to the people's representatives by the founders of the Government.

So the President in those utterances first concedes the right of the Congress to increase appropriations over the estimates of the Budget, and then he admonishes the Congress that we have certain rights, that we are the representatives of the people, and that we should pass upon the matter. But he said in his speech that he assumes responsibility for the estimates and that the estimates he has given are those which in his opinion are based upon facts.

Let us see, Mr. President. Of course, in accordance with the law creating the Budget Bureau, the President has the power to reduce the estimates, but he delegates that power to certain representatives of the Budget Bureau. The President is too busy a man, he has too many duties, to look over the various estimates of all the departments of the Government. So it is natural and necessary that he should delegate that function to some one else. But in delegating that power he should know the character of the men to whom he has delegated it; he should acquaint himself with their fitness and their peculiar qualifications to perform the work. Has he done so? He is responsible for what these men do, for when they prepare the data and submit them to him he transmits them to Congress, and upon such information the Congress must act.

Under the antiquated rules of the Senate, Senators on the floor are prevented from offering an amendment proposing to increase the amount carried in an appropriation bill over the estimate which has been submitted by the Budget Bureau. That makes it so much more necessary and so much more important that the President should choose the right kind of men to go over the estimates and to submit them to him.

It would be a strange system of government indeed if, under the Budget system, there should be delegated to investigate the affairs of the Agricultural Department, for instance, and to prepare the estimates for that department, a man who is well versed in bookkeeping, who is well versed in the operations of a stock exchange in New York, who has thorough knowledge of the administration of a hotel in Chicago or elsewhere, but who knows nothing in the world about agriculture.

Indeed, if the President should adopt such a course under the Budget system, and the lack of qualifications of the Budget official should come to his knowledge, he would receive the condemnation instead of the praises of the American people. If he charged with the duty of examining the estimates for the War Department some person who was not qualified to do that work, some person who had never seen a cannon or a gun or a standing army, who knew nothing about the needs of an army, Senators would criticize him; everybody would find fault with him. If he should delegate to go into the Navy Department and look over the estimates prepared by the Navy experts and cut those estimates some man who knows nothing about the Navy, who never saw a battleship or a submarine, who had never been trained in that line of work, indeed, the President would rightfully receive the criticism of everybody.

So in the case of the Department of Commerce. The men who are delegated to examine the appropriations which are needed for the Department of Commerce and for the Department of Labor and for the various other branches of the Government ought to be men specially trained and qualified and fitted to pass on the estimates for those various departments, so that the President may transmit correct estimates to Congress. But what has been done? What has been the practice? Has the President sought men who are especially qualified to do that work? No.

Take the Agricultural Department, for instance, which has to do with an occupation which in this day and time should appeal more strongly to the President than any other. Why? Because wheat has gone down, corn has gone to a low price, the price of live stock is low; everything practically that the farmers of the country have produced in recent years has depreciated in value. The purchasing power of the farmer's dollar to-day is only about 70 cents, compared to what it formerly was; indeed, the purchasing power of the farmer's dollar to-day is lower than the purchasing power of the dollar of any man who is engaged in any other occupation in the country. So I say that, in view of the conditions confronting the American farmer, with his need for markets abroad, with his necessity for an adequate credit system at home, with increased prices for the products which the farmer has to buy, some consideration should be accorded to him. The President should have seen that General Lord delegated some one to pass on estimates for the Agricultural Department who knew what the needs of agriculture were, so that the appropriations for agriculture might not be cut to the bone.

What was done? It is a matter of history now that last year a man who had been the manager of the Hotel La Salle in the city of Chicago; a man who had been an Army officer; who was not raised on a farm; who, perhaps, did not know whether a potato grew under the ground or on a tree, was delegated to revise the estimates which were prepared by the experts of the Agricultural Department. Then, he began to slash them without a program and without a policy, without rhyme or reason, until he had cut them about $2,500,000. General Lord did not go over the Agricultural Department estimates, but he appointed some other man to go over them. It is all in the testimony. That man so designated took the figures and told the Secretary of Agriculture, or Doctor Ball, who was delegated by the Secretary of Agriculture to prepare the estimates for the department, that he wanted them cut about $2,000,000. Those estimates had been prepared with great care, and with an idea to economize to the last degree; aye, they had been cut to such an extent that they were then some $500,000 less than the appropriations which had been carried in the last agricultural appropriation bill; yet this man, whose name I do not now recall, delegated by the Budget Bureau to cut the estimates, served notice that they must be reduced $2,000,000; so they were cut something like that, and the estimates which were prepared finally and agreed to by the Budget Bureau carry less, and considerably less, than the appropriations carried in the agricultural appropriation bill for last year.

The President, in his address yesterday, delivered through the Vice President, said, in substance: "We have given to Congress those things that they need; we have cut where the estimates should be cut." Then he thanked the various heads of the departments for cutting as they did. Let us look over the appropriations intended for the benefit of the farmers of the country. I am not going to discuss the Army appropriation bill; I am not going to call attention to the cut made by the Budget Bureau and approved by the President for the Army for the coming year; I am not going over the estimates prepared by the naval authorities and approved by the Budget Bureau for the Navy; I am not going to take up the appropriations for the Department of Commerce or for the Department of Labor, or for various other branches of the Government service, but I am going to take up the estimates for the Agricultural Department and one other matter, namely, river and harbor appropriations, which mean so much to the agricultural interests of America.

Now let us see the cut that the President of the United States, who now poses as a friend of American agriculture, has recommended; this President who now tries to force through the agricultural credits bill, but who did nothing for at least a year to ask Congress to pass an agricultural credits bill, who did not lift his voice or hand until public sentiment was aroused, as I said before, by the farm bloc.

Taking the items for the Agricultural Department, I will consider first the appropriation for extension work. Under that appropriation agents are sent throughout the country to try to instruct the farmers as to the best methods of farming. Under the same appropriation are employed demonstration agents, women as well as men, who go out to instruct the little boys and little girls to can fruits and vegetables, or to raise corn or to inoculate hogs, or to protect crops against insect pests and animals against diseases. The activities of the county agents and demonstration agents mean so much to the farmers of the country. They have saved millions and millions of dollars by the preservation of hogs, the eradication of tuberculosis from cattle, the destruction of insects of various kinds, helping the farmers to adjust conditions in their various localities so that they may prosper or, at least, live under the abnormal conditions which confront them; yet in the case of this important service of the Government, with people everywhere crying for it, demanding greater appropriations and showing that the needs are greater, the President suggests to Congress a reduction in this amount from $1,300,000 to $1,250,000. Oh, yes, he wanted to save $50,000 to the taxpayers of the country, but how? By cutting it off this needed appropriation to carry on the work of maintaining county agents and demonstration agents in this country. Thus it is again manifested how the Bureau of the Budget and the present administration are favorably disposed toward the farmers of the country.

Now let us take another item, and I am just picking the items out piecemeal, for I merely wish to bring to the attention of the Senate the situation. I want the farmers of the

country to know, when it comes to cutting appropriations, that the cut is made in appropriations for their interest and not in those designed for a big Army and a big Navy and other appropriations devoted to Government work along other lines.

Mr. CURTIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I yield.

Mr. CURTIS. I think the Senator ought to be fair in this matter. The facts have previously been called to his attention, and he knows what they are, and that the statements he is making are not sustained at all by the record.

In the first place, there never was a hotel man dictating appropriations for the Department of Agriculture. When General Dawes was put in charge of the Budget, he called to his assistance a number of business men from all over the country to visit some of the departments and study their expenditures. It happened that a hotel man from Chicago was sent to the Department of Agriculture, and stayed there for two or three weeks, studying the expenditures of the Agricultural Department. It is known to the Senator—it has been stated to him frequently—that every department has a Budget officer. The Agricultural Department has in the department its Budget officer, who has been with the department for years. He is still there. The Senator knows, because it was called to his attention before, that when the estimates were sent in by the heads of the departments to the Budget, the Budget concluded that the Government could be run with less money than had been asked for by the heads of the various departments; and the heads of the departments were not directed to take from this or that item, but the heads of the departments were asked to go over their estimates and reduce them so as to bring them within the recommended amount. That request went back to the head of the department, was referred to the Budget officer of the department, and the Budget officer concurred in the estimate that was finally sent in. The Senator knows all that; and yet this is the second or third time he has gotten up here and made statements that would indicate that some different plan was followed.

Mr. HARRISON. Mr. President, I thank the Senator. He is very courteous and very kind. It so happened that I was a member of the subcommittee that framed the Agricultural bill last year. I do not know whether the Senator was or not. I never heard it denied, because the record speaks for itself, that last year——

Mr. CURTIS rose.

Mr. HARRISON. I yield before I proceed.

Mr. CURTIS. I will state to the Senator that I am not a member of the subcommittee that has charge of the agricultural appropriation bill, and I am not a member of the Committee on Agriculture and Forestry; but when the Senator made his statement before I took the pains to call up the department, and wanted to know from the head of the department what the facts were, and I was given the information that I have given the Senate to-day.

Mr. HARRISON. If the Senator had been a member of the subcommittee he would not have made the statement he has just made. I am sorry the Senator fell into this error, because usually he does not state a thing unless he is absolutely sure of it. This is not his usual course. Last year—and it is in the RECORD—they were just trying out the Bureau of the Budget, just beginning; and General Dawes or General Lord, I do not know which—I think it was Dawes——

Mr. CARAWAY. Anyway, it was some Army officer that would not know a cow from a horse if the cow had been dehorned.

Mr. HARRISON. It is very true, as the Senator says, that the Bureau of the Budget designates some one in the Bureau of the Budget to take up the estimates with the various departments and go over them. First, for instance, the Agricultural Department is supposed to get up its estimate, and then this representative of the Bureau of the Budget calls on the Agricultural Department, and they go over the matter together with any suggestions that the representative of the Bureau of the Budget may make. We agree thus far. The man that was designated by the Bureau of the Budget last year to go to the Secretary of Agriculture, or to those in charge of the estimates for the agricultural appropriation bill, was a man who was employed at the Hotel La Salle as manager.

Mr. CURTIS. Mr. President, that is just what I stated a minute ago. I stated that he was a hotel man, selected from Chicago.

Mr. HARRISON. We do not differ, then, so much.

Mr. CURTIS. I stated that, and he was there three weeks.

Mr. HARRISON. Yes.

Mr. CURTIS. That is not disputed.

Mr. HARRISON. We are getting together, then.

Mr. CURTIS. But what I want the Senator to know is that neither that man nor any other man in the Budget fixed the amount of any item in this appropriation bill. The total was requested to be reduced to a certain extent. The Budget notified the heads of the departments what the reductions must be, or what they would like to have them, and then the Budget officers in every department made the recommendations themselves to the Budget, and then the estimates came to the House of Representatives, where under the law they must be presented.

Mr. HARRISON. The Senator agrees with me about this manager of the Hotel La Salle, then.

Mr. CURTIS. Oh, I stated that, as the Senator would know if he had been listening. The difficulty with the Senator is that he makes statements and then does not listen to the answers.

Mr. HARRISON. The trouble is you never say anything.

Mr. CURTIS. Mr. President, it would be better for the Senate if other Senators said less.

Mr. HARRISON. That is the way with a reactionary Republican. He believes that. They want to slide something through here without the people getting onto it, but we have to let them know about it.

Now, getting back to this matter I was discussing, we are mighty near together. So last year this manager of the Hotel La Salle was appointed to go down to the Agricultural Department, and he did, and that is all I stated awhile ago. He went over the list, and he told them to cut the total over $2,000,000. He was the man that had the Agricultural Department change its estimate. This year it is quite different. This manager of the Hotel La Salle was put on some other work. Evidently they found that he had bungled the estimates for the Agricultural Department last year and he was not the same man that was designated to go to the Agricultural Department this year.

Mr. CURTIS. Mr. President, if the Senator will yield for another statement, that shows that the Senator did not listen. The statement was made that General Dawes had asked business men from over the country to come here, volunteer their services, and study the estimates and the expenditures in the different departments. This man was not regularly employed in the Government service. He is not now and has not been, as I am advised, since that time.

Mr. HARRISON. Well, they ought to pay somebody and get a competent man, instead of allowing a manager of the Hotel La Salle to go down there and cut these estimates of the Department of Agriculture. I thought the fellow was on pay, a servant of the Government; and yet we find that General Dawes permitted a man who knew nothing about agriculture, who was to work for nothing, to go down there and cut the estimates. That is the system that we are called upon to accept; so there is not any difference between my good friend from Kansas and myself with respect to that matter.

I was going to read from the testimony to show that the manager of this hotel was the man delegated by the Bureau of the Budget to look over the Agricultural Department's estimates, and I am going to do it anyhow.

Senator HARRISON. Who had charge, on the part of the Director of the Budget, of the preparing of the estimates?

Doctor BALL—

He was representing the Department of Agriculture—

Doctor BALL. A gentleman whose name I can not at the moment remember—Stevens, I believe it was—the manager of the La Salle Hotel.

Senator HARRISON. Stevens?

Doctor BALL. Yes.

Senator HARRISON. He was the manager of the La Salle Hotel in Chicago?

Doctor BALL. The manager of the La Salle Hotel. He was also a director in General Dawes's bank, I believe.

Senator HARRISON. Was he an experienced farmer?

Doctor BALL. No; not at all.

Senator HARRISON. How long did he work on these estimates?

Doctor BALL. Probably about 10 days.

Senator HARRISON. Did he cut it throughout?

Doctor BALL. I never saw his exact figures, but about $750,000.

Senator HARRISON. Was he the only one that worked on it on behalf of the Budget?

Doctor BALL. No; after he left he made his report to the Director of the Budget; and then General Mosley, who was the general assistant to General Dawes, went over the entire Budget again and made a further report.

Senator HARRISON. How much reduction did General Mosley make?

Doctor BALL. His reduction was the sum that I quoted.

Senator HARRISON. Seven hundred and fifty thousand dollars?

Doctor BALL. No; $2,400,000, altogether.

Senator HARRISON. Why did General Mosley go over it after this other employee of the Director of the Budget had gone over it and checked it?

Doctor BALL. Because it had not reached the sum, I think, that was satisfactory to the Budget Bureau.

Senator HARRISON. But I understood you to say that this clerk at the Hotel La Salle——

Doctor BALL. He was the manager of the La Salle Hotel.

Senator HARRISON. This man who had been manager of the La Salle Hotel I understood you to say had made his report to the Director of the Budget, and in his report he had cut the estimate approximately $750,000, and following that the director ordered General Mosley to go over it?

Senator OVERMAN. And cut it $2,400,000.

Doctor BALL. Yes.

Senator HARRISON. And he cut it further?

Senator OVERMAN. No; he was instructed to go over it and cut it $2,000,000, as I understood Doctor Ball to say yesterday.

There is the hearing on the proposition; and yet my good friend from Kansas becomes aroused here and disputes with me about a fact that finally we both agree about, and which the testimony shows we were both correct about.

Mr. President, my good friend from Kansas is one of the most adroit Senators I ever saw. I am sorry he is not here now. When we get to showing things up, and when the shoe begins to pinch, the Senator from Kansas seeks to divert us, as it is said that a bear, when pursued, will throw aside its young in order to escape and divert the attention of the pursuers. So, when I was proceeding to show how these various estimates for various lines of agricultural work had been cut by the Bureau of the Budget on the approval of the President, he tried to divert me from my line of talk, and brought up this Hotel La Salle manager.

I showed you the facts about the extension work. Let us take another matter. There is not anything that kills cattle quicker and is more injurious than a tick. They may not be indigenous to all sections of this country, but I know that in the section from which I come ticks sometimes infest the cattle, and they kill them, and work great injury and loss to the farmers of that section. So we must eradicate the tick, and heretofore we have carried in the appropriation bills very reasonable appropriations for that work. It was extended year by year, and so sections that once were infested by the tick have now become tick free, and these cattle, once tick ridden, now can be sent to market throughout this country, and it is due in large part to the splendid appropriations that have been made by the Congress for tick-eradication work; and yet what do we find in the bill now pending? The Agricultural Department recommended $660,000, and the President approved what the Bureau of the Budget said was needed, and he says in his speech that is all they need. They cut the $660,000 to $500,000. Yes; they are economizing by lopping off $160,000 of an appropriation that is necessary to rid the cattle of a certain section of this country of the tick, because they want through this Lasker bill to give that small amount over to the shipping trust of the country. Why, the way Lasker is managing things, that $160,000 will not buy a stack for one of these boats that the Shipping Board has, and yet they are economizing with the great agricultural interests of the country!

That is not all. Let us consider the dairy industry. I do not know what the figures are. My friend the distinguished Senator from North Dakota might tell me; but I know that the dairy industry of this country is immense. It runs into hundreds and hundreds of millions of dollars. It is confined to no section of the country. In some degree at least it pours wealth into the pockets of the farmers and the dairymen around the great city of New York and the great city of Philadelphia, the same as it does to the farmers out near Minneapolis and Chicago. All over the country we have a dairy interest, and we need it.

Experiments in the dairy industry have been undertaken by the Government ever since the Department of Agriculture was organized. The Government has been liberal in appropriations in the past to carry on experiment work for the dairy industry. Yet, under this administration, under this economizing spell, which catches the farmer and catches almost no one else, we find that for experiments in the dairy industry there was estimated by the Department of Agriculture $375,000. The President in his budget recommends $284,320 as all that is necessary, a cut of nearly $100,000 against continuing the plans for experimentation in the great dairy industry of the country.

Let us go further than that. I did not know this thing was so big; I had no idea that the farmer had been treated so badly; I had no idea that this Congress and the President and the Budget Bureau would to such an extent disregard the necessities of the agricultural classes, until I began to look over this list to see where the knife of economy had cut the farmer; but it did not scratch any other industry in this country.

I need not call to the attention of the Senate how disastrous hog cholera is. When hogs get cholera they die like sheep, meaning millions of dollars of loss.

Mr. WADSWORTH. Does the Senator mean like sheep with cholera?

Mr. HARRISON. No; the Senator from New York was writing a letter to some constituent, and he did not catch what I said. The cattle and the hogs and the sheep and all the stock would die if it were left to the nurturing hand of this administration to take care of the wants of agriculture.

Mr. LENROOT. Mr. President, will the Senator tell the Senate and the country how much better the Democratic administration took care of the wants of agriculture?

Mr. HARRISON. I am glad the Senator asked me that question. During the eight years that Wilson was President of this country there never came an appeal from the great West, or the North, or the South affecting the farmers' interests that he did not gladly heed and recommend to the Congress the passage of relief legislation.

Mr. LENROOT. Which party——

Mr. HARRISON. I have not finished answering the Senator. He asked me a question, and then does not want me to answer it. It takes me a long time to answer that question.

Mr. LENROOT. I observe that.

Mr. HARRISON. But I hope the Senator will be patient with me. The list of splendid achievements of the Wilson administration in behalf of the farmers of the country is so long that I hesitate to enter upon a discussion of it. I shall never forget when I came in as a Member in the Sixty-second Congress. At that time we were in the majority, and my friend from Wisconsin was then a Member of that august assembly, and a very live Member, too. He used to criticize everything that the majority wanted to do, and I know that in those days the influence of the distinguished Senator was hard for me to withstand. I sometimes feel like criticizing the majority myself, but I withhold my criticism—I have to restrain myself—but it was the habit the Senator from Wisconsin got into which almost led me astray when we got into the majority.

The Senator remembers that the first thing the Democratic Party did when we came into control of the House was in the interest of the farmers of the country. He has asked me the question, and I want him to listen to my answer. The first piece of legislation we championed was in the interest of the farmer; and yet he now asks me that question, as I parade this list of reductions in the appropriations for the agricultural interests before him. I know it makes him feel badly. I believe they did not know they treated the farmers as badly as they did, or they would not have done as they did by the passage of this bill.

The first legislation we passed was known as the farmers' free list bill. Before that the farmers had been compelled to buy their implements, buy the barbed wire for their fences, buy their gunny sacks, buy cloth in which to wrap their cotton, and buy 10,000 other things necessary to conduct a farm and the operation of the farm from the tariff-protected trusts. We removed the tariff from all those articles and placed them upon the free list. It was the first time in the history of this country that we had passed a tariff bill friendly to the great farming interests of the country.

We did not stop there. The next legislation we passed, as the Senator will recall, because he voted for it—and there were some others over there who voted for it—was to establish the Federal reserve banking system, when we wrote into the bill, with the help of the Senator from Wisconsin, the provision that allowed the member banks of the Federal reserve system to discount agricultural paper, the first time in all our history that the farmer had received an opportunity to discount his paper and get credit thereby.

We went down the list, passing what was known as the Lever agricultural extension act. I could enumerate piece after piece of legislation intended to promote the interests and welfare of the farmers enacted into the law during the Wilson administration, and never during the consideration of any agricultural appropriation bill were the estimates of the Agricultural Department cut below the needs of agriculture. Indeed, the Secretaries of Agriculture approved the estimates made by the experts from the Agricultural Department; they came to Congress, and committees and Congresses, dominated by a Democratic majority, passed them, giving to the great Department of Agriculture all that they needed and all that they could show was necessary.

Mr. LENROOT. Will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Were those appropriations larger or smaller than the appropriations in the Agricultural appropriation bill just passed?

Mr. HARRISON. My recollection is that they were about the same as the appropriations in this one.

Mr. LENROOT. How does it happen, then, if this is such a discrimination against the farmer, with everything costing so much more now, that the Democratic Party did not make larger appropriations?

Mr. HARRISON. One of the reasons is that the barberry bush had not been discovered up in Wisconsin, and the demands would not come in from the Senator's State and Minnesota for some $650,000 to eradicate the barberry. I can cite instance after instance where insects injurious to agriculture have been discovered since that time. That is what we make appropriations for, to enable the department to send men out to try to find such insects and pests and to get some solution for diseases which kill cattle and injure stock.

It is natural, as the population of the American Republic gradually increases, that the appropriations for agriculture should constantly be enlarged, and I am sure, with the logical mind of the distinguished Senator from Wisconsin, he would not assume for a minute that the Agricultural appropriation bill would gradually get smaller in amount, but he knows that if it keeps abreast of the times and takes care of the constant demands and needs of a great and growing country the appropriations will continue to increase within certain bounds.

Mr. LENROOT. Does not the Senator know that the bill we just passed carries out that very policy?

Mr. HARRISON. This bill carried $200,000 less, if I recall the figures correctly, than the one we passed last year. I know the Budget cut the estimates. There is not much difference between them. I am not taking into account the appropriation carried for good roads.

Again I am diverted when I am proceeding in an orderly way. When the boot begins to pinch some Senator rises and tries to befuddle me so that I can not make my argument.

Mr. LENROOT. Will the Senator yield? The Senator has been making a purely political speech here, and I hope he will welcome some facts.

Mr. HARRISON. The Senator knows there is no politics in this.

Mr. LENROOT. Let me read the appropriations made for agriculture under the Democratic administration as compared with the Republican. In 1913 the Democratic Party appropriated for agriculture $16,600,000; in 1914 they appropriated $17,986,000; in 1915 they appropriated $19,865,000; in 1916 they appropriated $22,971,000; in 1917 they appropriated $24,850,000; in 1918 they appropriated $25,920,000. Then the Republicans came into power. In 1919 they appropriated $27,887,000; in 1920 they appropriated $33,899,000; in 1921 they appropriated $31,712,000; and the bill just passed carries about $33,000,000, more than double the appropriations made for agriculture by the Democratic Party when it came into power.

Mr. HARRISON. Mr. President, if there is anything in the world that would convince any man of ordinary common sense that the Democratic Party was a more economical party than the Republican Party, it is the statement just made by the Senator from Wisconsin.

I have shown that every estimate made by the Department of Agriculture for the needs of the farming interests of the country was immediately and adequately provided for in appropriations by a Democratic Congress. The appeals which came from the farmers were transmitted by the Agricultural Department to the Congress, and we gave them all they asked; yet we showed such magnificent economy in the management of the situation that the Senator himself cites figures which show the great saving to the American taxpayers when compared to the bill just passed.

Mr. LENROOT. Will not the Senator please make a statement which he himself believes? He certainly does not believe any such wild statement as he has just made regarding Democratic "economy." The word is not found in the Democratic dictionary.

Mr. HARRISON. Oh, I knew the Senator would talk that way, but we think we did things pretty well. About the only fellows who have been indicted by this administration for malfeasance in office were Republicans who were appointed by the Democratic administration.

Mr. LENROOT. Not those appointed by Republicans.

Mr. HARRISON. That shows that the Department of Justice is very fair and is not playing politics, as my friend from Wisconsin is. I am trying to make a real, constructive, statesmanlike speech, and the Senator says I am talking politics. I have not investigated, for the purpose of comparison, the agricultural appropriations that were passed by the Democratic Congresses and those passed by the Republican Congresses. I do know one fact which is fundamental, that we did take care of the needs of agriculture, and there was no politics in it. There has never been any politics in the appropriations for agriculture.

There is not any now. I am talking against the system here, if you please. I know that certain Senators on the other side of the Chamber are just as friendly to the farmers and want to take care of their needs as much as those on this side.

But I am trying to bring to the attention of those on the Republican side of the Chamber the fact that there is in force a system that works against the interests of the agriculturists of the country. There may have been provisions in agricultural appropriation bills carrying large amounts that were not wholly for agricultural purposes; I do not know. I know that in the present bill we provide large amounts for the Atlantic watershed, as I believe it is called. I know that we carry quite a large amount for roads in this bill—I think about thirty-odd million dollars.

Mr. McNARY. Twenty-nine million dollars, but that is not included——

Mr. HARRISON. I understand, but there are many things carried in the bill that are not wholly for agriculture. So it is natural that the amount carried in the bill as a whole should change year by year. The Senator knows that in the passing of the years the agricultural appropriations will constantly increase, as they should increase. So there is really nothing in the amount, but I do know the amount has been cut in this bill. The Budget did it and that is what I am calling to the attention of the Senate.

Now, let us go further. I was discussing plant diseases. When we think about the great peach and apple orchards, the pecan groves, and the orchards and groves of every kind in which we constantly find new insects and new diseases and new pests that the department never knew about before, we realize that we need appropriations to look immediately into the situation and to eradicate the pests and eliminate or cure the diseases. The Department of Agriculture of all departments should know what is needed to do that work. They estimated for $182,000. What was given them? The Bureau of the Budget, whose action meets the approval of the President, gave only $77,000. Thus it is that that important work will be curtailed to at least $100,000. That is the way Republicans economize.

But that is not all. There is another provision for diseases of the orchard. The Agricultural Department estimated $113,935 for that purpose. The Bureau of the Budget cut it to $111,000. Thus it is that on the two items affecting diseases of the orchards the amounts have been cut $125,000, not enough under Lasker's administration of the Shipping Board to purchase one plank to help repair one of the ships.

With reference to cotton diseases, Mr. President and Senators, if you knew of the horrible situation in the cotton-growing section of the country, if you knew what they have had to contend with, if you knew the effect on the industries of this country as well as the effect in other countries, you would not want to economize in an appropriation to eradicate or eliminate diseases and pests that are destructive of cotton. The boll weevil, that made its appearance some years ago, wrought millions, yea, I might say billions of dollars of damage to the cotton planters of the South, working so disastrously in my State that fields which had previously produced over a bale of cotton to the acre were so affected that they could not raise one-tenth of a bale of cotton to the acre, forcing the farmers to allow hundreds of thousands of acres of the finest cotton lands on God's green earth to lie idle. I have seen the destructive effects of it in my own State. I have seen it, where we once raised over a million bales of cotton a year, drop until we raised hardly half a million bales of cotton a year.

In the State of Georgia, represented in part by my distinguished friend, the junior Senator from that State [Mr. GEORGE], where they once raised as much as two million bales, I believe, this year they estimate about 800,000 bales of cotton. I have seen the ravages of the boll weevil working its way through South Carolina, where they once raised 1,600,000 bales or more a year, and yet this year the Government estimate is that they will produce a little more than 500,000 bales. I have seen the pink boll weevil, as it came up from Mexico, working its injury in the boll of the cotton in Texas and on into Louisiana, destroying the prospects of the farmers and ravaging their fields. These things have caused the cotton crop to decrease until last year it had dropped to a little over 7,000,000 bales, and this year I think the Government estimate is 9,700,000 bales.

So, there will be in this country a shortage of cotton that can not be supplied to the world for at least two months of the

coming summer. They need the cotton. They need it to compete with the high prices of wool and other goods. They need it for the warmth of the American people as well as the people everywhere. Yet with that situation and condition, we see the estimates of the Agricultural Department, desired to fight the cotton diseases, cut from $127,000 down to $117,000.

Now, let us see what else. Here is an item for crop plants. Land that once produced nothing has, under the magic hand of some progressive truck farmer, been brought to produce truck crops that fill the wants of the great cities of the country with cheap cabbage, cheap tomatoes, and cheap vegetables of every kind. Diseases have worked their way into those crops and very often destroyed them. As the crop is affected by a pest or an insect or a disease, so is the price of that particular vegetable or commodity increased to the American consumer. In this day and time, when the high cost of living has soared so that the American people can hardly make ends meet, I wonder how the man of family on a small salary can get along at all. God knows I do not see how he can exist with things as high as they are.

All these economic conditions and questions should be taken into consideration in making up an appropriation bill affecting the great agricultural interests of the country, and yet, with vegetables and other necessaries of life needed in the great cities of the country, we see the estimates of the Agricultural Department for the work on crop plants reduced from $66,860 to the pitiful sum of $55,000.

Now, what would $11,000 do in maintaining the proposed subsidized merchant marine? How far would it go in promoting the Lasker scheme for a ship subsidy? It would help very materially the farmers of the country who are affected by the different diseases in their truck crops, and yet the Congress says, with the President's approval, "We will withhold that $11,000; we will not give it to stamp out disease in truck crops, but we will give it over to the great shipping interests of the country, because they need it." That is the Republican idea of the way the Government should be run.

God bless you, you Republicans will have a lot to answer for when you get away from here on the 4th of March. You Republicans did not consider the force of the suggestion I made this morning. If you would go ahead and have the President call an extra session of Congress, we could stay here all this spring and summer fighting out the ship subsidy bill, and you would have a good excuse for not going back home to face your people. The people could not see you then. It is going to be mighty hard for some of you to face your constituents after the 4th of March. You will wish then that you had followed my suggestion about an extra session of Congress.

What explanation are you going to make to the man who raises a little truck crop, say, some lettuce that he must cover up at night with cloth, where he must build fires around the hotbeds and coldframes in order to keep the lettuce warm, so that the wintry winds and cold blasts from the north will not destroy it. The man who has planted his tomatoes out in the field, where they seem to be growing nicely under the kiss of the spring sun, hears the squeedunk blowing. It can be heard for miles and miles. Then one farmer says to the other, "What is that?"

There the farmer says, "That is the warning. That is the squeedunk over yonder that is blowing. They have a report from Washington, and the report is that a cold wave is coming." Then the farmers begin to go out in the field and cover up tomato plants or other vegetables. They work late into the night. They build fires to create warmth to ward off the wintry blast. But the cold comes and their crops are destroyed.

Those men undergo all the vicissitudes of a changing climate. They have to fight everything, with no great insurance companies to write a policy insuring that their crop will come out 100 per cent. There is no insurance company to underwrite a policy that they will be protected against cold or disease or insect or injurious pest. The only help they have is not the happy hopefulness of the President—no; not that, but they have the hope that here in Washington, where they have two Senators and a Congressman, they will be able to pass an appropriation bill every year which will in a small way make allowance for taking care of their crops, providing a little appropriation to fight the diseases which infest truck crops. And yet when you go home and meet that little truck farmer you will have to explain to him why you and your President reduced the Department of Agriculture estimate from $66,860 to $55,000. If you think that you can give him an excuse to justify the proposition that that was needed in the ship subsidy appropriation, just try it out on him. That is what you are trying to do here. Here I have brought upon my head censure from the distinguished junior Senator from Wisconsin [Mr. LENROOT] because I would have the Senate wait until next Tuesday to pass the agricultural credits bill. He wants to whip it through here by to-morrow night; he only wants 10 minutes to be allowed for the discussion of each amendment. I can not believe that he does not want the bill "framed" after full and adequate consideration; but it is because he is so anxious and other Senators on the majority side of the Chamber are so anxious to force the ship subsidy bill upon the American people. I can not believe that Senators on the other side knew when they voted to reduce the appropriation for investigating and improving truck crops and to fight diseases and pests and insects affecting such crops $11,000 that they really intended for the money merely to go to the shipping trust; and yet that is what their actions here mean if we allow the ship subsidy bill to pass.

Mr. President, I will refer to two other items. One is for the improvement of cereals. Is there anything that we should work more diligent upon than to try to improve the quality and increase the production of cereals in this country? Is there anything that could be brought more directly to the home life, to the fireside, to the breakfast table, and to the dinner table than to improve the quality as well as increase production of cereals?

The Agricultural Department through years have been prosecuting this work, and they have performed a great service. This year the Agricultural Department's estimate for this work was $42,440. Yet the President of the United States approves the estimate of the Budget Bureau and Congress approves it, reducing the amount to $32,000. There is an instance where cereal improvement can wait, but the shipping interests must be taken care of. It is argued that, though it is a small amount, it will help.

The Agricultural Department estimated $180,000 for the improvement of crop production, but the Budget Bureau cut it to $169,000. Again the farmers of the country are economized upon.

For horticultural investigations the Agricultural Department estimated $79,440, but the Budget Bureau estimates bring it down to $71,940.

Mr. President, I shall not read the entire list, though I could cite other instances to the Senate. However, it does no good here. I talk, and I plead, but it seems that Senators on the other side of the Chamber are callous to any suggestions I make or to any appeal which I may utter.

Worse than all—and we are now about to vote—the Senator from Oregon makes a motion here which will put the finishing touches to this conference report. I procured—and I thank the Senate for it—an increased appropriation, against the suggestions of the Budget Bureau, of $50,000 for the destruction of the sweet-potato weevil. I thought it was necessary; indeed, I know it would have been most helpful to the section from which I come. The sweet-potato crop in five States along the Gulf coast is valued at $135,000,000.

Under this appropriation in the last few years we have been able to eliminate the sweet-potato weevil in many of the counties and in some of those States, but it is a pest which, unless we shall continue every effort to restrain its march, will go on from State to State and enlarge the field of its operations. I am quite sure that the inadequate appropriation carried in this bill will mean millions of dollars of injury to the farmers who must combat the sweet-potato weevil; but I have done my best; I can do no more. Under our system of Government, under the peculiar method in which we pass legislation through Congress, I know that no matter how long I might speak and what I might say I could not defeat, indeed, I would not defeat, the report carrying the appropriations for agriculture in this country. There are so many good provisions in the legislation; so many necessary provisions in the bill that I, of course, would not attempt to defeat the conference report merely because the Senate conferees receded on my amendment.

I shall not say, for some one might imagine the discussion to be sectional, that it is peculiarly strange that the appropriation for the corn borer which was increased by amendment in the Senate was retained in the bill. The corn borer has ravaged the corn fields of New England; it has greatly affected the corn crop in that section. I believe that the amount appropriated for its destruction, which includes the increased amount which the Senate provided, is necessary in order to fight the corn borer, and I would not say anything against it for fear that what I should say might be misinterpreted; but the increase in the appropriation to combat the sweet-potato weevil was eliminated, while the amendment increasing the appropriation to combat the corn borer was retained.

I would not say anything as to other amendments increasing appropriations over those recommended by the committee,

notably the one to exterminate the barberry bush. I shall bide my time with patience, hoping that next year, when the Agricultural appropriation bill shall again be under consideration, and the Senate committee considers it, care will be taken to provide an adequate appropriation for the destruction of the sweet-potato weevil.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LADD in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Gooding | McKellar | Shortridge |
| Ball | Hale | McLean | Spencer |
| Brookhart | Harris | McNary | Stanfield |
| Bursum | Harrison | Nelson | Sterling |
| Calder | Heflin | New | Sutherland |
| Cameron | Johnson | Nicholson | Swanson |
| Capper | Jones, Wash. | Norbeck | Trammell |
| Caraway | Kellogg | Norris | Underwood |
| Colt | Kendrick | Oddie | Wadsworth |
| Curtis | King | Overman | Walsh, Mass. |
| Ernst | Ladd | Page | Walsh, Mont. |
| Fernald | Lenroot | Phipps | Watson |
| Fletcher | Lodge | Pomerene | |
| George | McCormick | Reed, Pa. | |
| Glass | McCumber | Shields | |

Mr. HARRIS. I desire to announce that the senior Senator from Wyoming [Mr. WARREN] and the senior Senator from Utah [Mr. SMOOT] are detained from the Senate because of their duties in connection with the work of conference committees on appropriation bills.

Mr. POMERENE. I desire to announce the unavoidable absence of my colleague [Mr. WILLIS] because of serious illness in his family. I ask that this announcement may stand for the day.

Mr. McNARY. I desire to announce the absence from the Chamber of the Senator from Wisconsin [Mr. LA FOLLETTE] on account of the oil hearings before the Committee on Manufactures.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, there is a quorum present. The question is on the motion of the Senator from Oregon [Mr. McNARY].

Mr. KING. Mr. President, let us have the motion stated. We may want to divide the question, if it can be divided.

The PRESIDING OFFICER. The motion will be stated.

The ASSISTANT SECRETARY. The motion pertains to the message from the House, and is that the Senate agree to the House amendments to the Senate amendments numbered 11, 31, 33, and 35, and recede from its amendment numbered 34.

Mr. KING. May I inquire of the Senator from Oregon what disposition was made by the conferees of the appropriation of $6,000,000 plus for roads and trails in Government forests?

Mr. McNARY. I will state to the Senator from Utah that we arrived at a disagreement. That was one of the items presented here to-day for either confirmation or instructions to insist upon the Senate amendment. I am informed that the Senator from Arizona [Mr. CAMERON] will make a motion at this time that the conferees insist upon making the whole amount, namely, $6,500,000, immediately available for the construction of forest roads, rather than the House provision that only $3,000,000 shall be made immediately available.

Mr. KING. As I understand, if I may be pardoned, the House appropriated $6,000,000 directly——

Mr. McNARY. Six million five hundred thousand dollars.

Mr. KING. Six million five hundred thousand dollars, to be immediately available, for roads and trails within the national forests.

Mr. McNARY. Yes.

Mr. KING. The conferees have abandoned that, and have agreed upon $3,000,000 to be immediately available, and power is given the Secretary of Agriculture to enter into contracts for the expenditure of the other $3,500,000.

Mr. McNARY. The action of the Senate was to the effect that $6,500,000 should be immediately available. In conference we disagreed, and the House comes back with this provision making $3,000,000 immediately available, $3,500,000 to be carried in a deficiency bill, and authorizing the Secretary of Agriculture to allocate among the States the $3,500,000 not made available; also to contract with respect to it. That is not satisfactory to some of those who are interested in the roads in national forests, and the Senator from Arizona intends to make his motion at this time.

Mr. JONES of Washington. Mr. President, I just want to correct one impression that the Senator from Utah apparently has. The House did not appropriate $6,500,000 and make it immediately available.

Mr. KING. No; $3,000,000.

Mr. JONES of Washington. Three million dollars; and the Senate appropriated $6,500,000 and made it immediately available.

Mr. KING. If I indicated as the Senator states, I did not intend to convey that impression.

Mr. CAMERON. Mr. President, I move that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 33 and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate, for this reason:

There are 29 States that have a large forest area. There has been withdrawn in these 29 States a forest area of 156,837,282 acres of the public domain. That area is not taxable at this time. In order to make the Forest Service self-sustaining or in order to derive from the Forest Service the benefits that the Government ought to derive these areas should be properly taken care of in the way of development. Roads and plenty of them should be built, thus tapping the timber belts and other natural resources which are now of little use and hardly appreciated. Under the appropriation of June 19, 1922, section 2 and section 4, we are entitled under that bill this year to $6,500,000. The House saw fit to cut the $6,500,000 to $3,000,000. The Senate committee put it back to the original amount $6,500,000, and the conferees stood up for the $6,500,000. It is necessary now, in order to get this $6,500,000, to disagree to the House amendment, and I ask the Senate, after a most careful consideration of this appropriation and close study of the situation, to send this amendment back for a further conference. That is the reason of my motion at this time, and I hope the Senate will see the great public need of this full appropriation so these forest areas can be properly developed as now outlined through the program of the forestry department.

Mr. KING. Mr. President, if the Senator will yield, I should like to inquire of him what was the recommendation of the Budget with respect to the item for roads within the national forests?

Mr. McNARY. Mr. President, I can answer that question, with the Senator's permission. The Bureau of the Budget recommended an authorization of $6,500,000, due to a past act authorizing the appropriation of that sum of money, but making immediately available $3,000,000. The act passed some years ago, when the road work was in the hands of the Post Office Department, authorizing the appropriation of $6,500,000 for this year. This legislation is in fulfillment of that authorization, passed in 1921, and as brought to the House it was in response to the estimate of the Director of the Budget.

Mr. KING. Mr. President, if the Senator will pardon me, I think I understand the Senator. He spoke of "this year." Did he refer to the fiscal year 1924?

Mr. McNARY. The year commencing 1923, to 1924.

Mr. KING. That is, beginning with the 1st of July, 1923, and ending with the 30th of June, 1924?

Mr. McNARY. Yes; that is it.

Mr. KING. Was there any antecedent legislation that restricted the Congress of the United States to an appropriation of only $6,500,000 for roads and trails in the national forests?

Mr. McNARY. A bill was passed in 1921 providing for the expenditure of certain sums in the national forests in the years 1923, 1924, and 1925. The $6,500,000 was the amount authorized to be expended in 1923–24; and the Director of the Bureau of the Budget, of course, could not go back of the authorization that had been sanctioned by prior statutes, but made available $3,000,000 upon the theory that that was all the money they could use, but that they had a right to contract for the balance, namely, $3,500,000.

Mr. KING. Then he was acting upon the assumption that those who were charged with the duty of expending the entire amount could not advantageously contract for and expend this $6,500,000 for roads and bridges and trails in the national forests in the space of 12 months?

Mr. McNARY. I will not say that. It was uncertain, perhaps, whether or not they could expend all the sums; but the point was simply this: A great many of those interested in the roads in national forests wanted the whole amount—namely, $6,500,000—made immediately available, so that these small contractors would feel justified in entering into contracts, knowing thereby that they would receive their money and could get the proper credits at the banks. That was the position of the Senate conferees. The House conferees, however, argued that if they made $3,000,000 available the balance could be carried in the deficiency bill, as it was subject to contract rights. As a compromise, the House proposed to make immediately available the $3,000,000, and to specify that the Secretary of Agriculture can contract for the balance of the $3,500,000, and also to direct him to allot among the various States the remain-

ing sum of $3,500,000. That is not satisfactory to some of those interested in the forest roads, and that is the reason of the amendment suggested by the Senator from Arizona.

Mr. KING. It seems to me the Senator from Arizona is entirely right. He is fortified by the law, fortified by common sense, and fortified, it seems to me, by legitimate and wisely accepted business policies. If we are to construct these roads, the men charged with the responsibility know best how to expend the money, and the very reason suggested by the Senator from Oregon—namely, that the small contractors want to know that they can get their money when they enter into their contracts and when they do the work, without having to wait for subsequent appropriations—would justify, and not only justify, but, it seems to me, demand that the Senate adhere to the position it took when it made immediately available the $6,500,000.

I shall be very glad, therefore, to support the motion of the Senator from Arizona.

Mr. LENROOT. Mr. President, a parliamentary inquiry. May I inquire what is the question before the Senate?

The PRESIDING OFFICER. The Secretary will state the pending question.

The ASSISTANT SECRETARY. The motion made by the Senator from Oregon [Mr. MCNARY] was that the Senate agree to the House amendments to Senate amendments Nos. 11, 31, 33, and 35, and recede from its amendment No. 34. The Senator from Arizona [Mr. CAMERON] has now moved that the Senate disagree to the amendment of the House to the amendment of the Senate No. 33, and insist upon its own amendment.

Mr. LENROOT. I submit, merely as a matter of parliamentary procedure, that the motion of the Senator from Arizona is not in order until the pending motion of the Senator from Oregon is disposed of, a motion to agree being preferential over a motion to disagree, it bringing the two Houses together on the bill.

Mr. KING. Mr. President, may I inquire of the Senator from Wisconsin if his position is that the question can not be divided?

Mr. LENROOT. No; we can divide the question and vote upon the motion to agree, but of course voting it down would be equivalent to disagreeing; but a motion to disagree, as the Senator well knows, is not preferential over a motion to agree.

Mr. KING. The Senator insists that the proper parliamentary procedure would be to agree or to disagree to the report of the conferees?

Mr. LENROOT. If there is a motion pending to agree, that has preference, of course.

Mr. KING. And if we should vote to agree, being satisfied with all the residue of the report, that would cut off the item that is under consideration now and prevent the matter being sent back to conference?

Mr. LENROOT. Certainly; but a separate vote can be had upon this particular item, of course.

Mr. KING. That is what I had reference to.

Mr. MCNARY. Mr. President, a parliamentary inquiry. I do not want to stand in the way of the Senator from Arizona having a free expression of the Senate upon his amendment; and I should like to know, if I should withdraw the motion that I have made, whether the motion of the Senator from Arizona would be in order?

Mr. LENROOT. Mr. President, if the Senator will yield, I suggest to the Senator from Oregon that he modify his motion so as to move to agree to all of the amendments that he desires to agree to, except the one in question, and that will leave the matter open for the Senator from Arizona to make his motion.

Mr. MCNARY. I think that would be preferable.

The ASSISTANT SECRETARY. In other words, it is proposed to strike from the original motion the numerals "33."

Mr. JONES of Washington. Mr. President, I want to say just one word about the motion to recede from the amendment No. 34. I have examined the debate in the House, and I am satisfied from the situation there that it would be utterly useless to send that amendment back to conference. Therefore I shall vote for the motion to recede.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon, leaving out amendment numbered 33.

Mr. KING. Mr. President, before that motion is voted upon I shall be glad to learn from the Senator from Oregon what the other items are and exactly what will be the result of the affirmative vote for which the Senator now asks.

Mr. MCNARY. One appertains to the provision of maximum salaries of the scientific employees of the Secretary of Agriculture. The only difference between the Senate amendment and the action of the House is that the Senate inserted the word "hereafter," making it permanent law. The House has modified it to make it apply during the fiscal year 1924. The other is simply a reenactment of the provision, now extant in the statute, permitting the shipment from a State where lumber is cut to some other State in the Union. The other is the recession from the seed item and the bean item.

Mr. KING. Respecting the timber item to which the Senator refers, as I understand the Senator, if the amendment agreed upon in this report prevails, then timber which is cut from forests by permission may be transported from one State to another?

Mr. MCNARY. Yes. In the old law there is a prohibition against cutting timber in one State and shipping it to another, upon the theory that the State where it is cut should have the use of the timber for its consumption. That was found to be impracticable, and timber cut on the public lands, or in the national forests of Utah, under this provision could be shipped to another State.

Mr. KING. That is a very wise provision, because the Senator knows that there are many instances where the timber cut near some boundary line between two States is not available at all in the State in which the timber is growing, and is only available across the line in some other State. The Senate recently passed a bill permitting the exportation to Utah or other States of timber cut upon the reserves in Arizona, for instance, because in the Arizona strip, as it is called, there are few, if any, inhabitants, and the timber there is of no value whatever. I am very glad of the position of the Senate upon that item.

The PRESIDING OFFICER. The question is on agreeing to the modified motion of the Senator from Oregon.

The motion as modified was agreed to.

The PRESIDING OFFICER. The Senator from Arizona now moves that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 33, that the Senate insist upon its amendment and ask a further conference with the House on the disagreeing vote thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MCNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. OVERMAN, and Mr. SMITH conferees on the part of the Senate at the further conference.

## ACTION ON PROPOSED CONSTITUTIONAL AMENDMENTS.

Mr. ASHURST. Mr. President, in the Sixty-sixth Congress the Senator from Connecticut [Mr. BRANDEGEE] introduced a proposed amendment to the Constitution, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein),* That Article V of the Constitution of the United States is hereby amended to read as follows, to wit:

"ARTICLE V.

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution when ratified within six years from the date of their proposal by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, or by the electors in three-fourths thereof, as the mode of ratification may be proposed by the Congress: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate."

This amendment was reported favorably from the Senate Committee on the Judiciary.

We have had 19 amendments to the Federal Constitution. I will treat the first 10 amendments as a part and parcel of the original Constitution, because when the Constitution was ratified it was upon the distinctly implied, in some cases expressed, understanding that amendments would be adopted. They were proposed and submitted by the First Congress on the 15th of September, 1789. They were 12 in number. The third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth were ratified by the required number of States within exactly two years and three months. But No. 1 and No. 2 are still pending, and on the 15th day of next September will have been pending 134 years.

So we perceive a wise suggestion in the amendment proposed by the Senator from Connecticut that there should be a time limit. Moreover, we have precedent. Congress, in submitting the prohibition amendment, laid a limit upon the time within which the States could ratify.

I call the attention of the Senate to the fact that the last nine amendments have been brought about by "amendment periods." The eleventh and twelfth amendments were adopted in the 10-year period between 1794 and 1804, the twelfth having been brought about by the unfortunate tie in the Electoral

College between Thomas Jefferson and Aaron Burr. Call that the first amendment period. Then, notwithstanding the fact that many scores of amendments were introduced in Congress and two were proposed between 1804 and 1864, no amendment was adopted; thus there was a 60-year period of immobility with respect to amending our Federal Constitution.

Then came the second amendment period, which began in 1865 and lasted until 1875. In that 10-year period the thirteenth, fourteenth, and fifteenth amendments were proposed and adopted.

Then came another period of nearly 40 years of immobility, and then came the sixteenth, seventeenth, eighteenth, and nineteenth amendments—the third amendment period, 1909 to 1923—showing that these amendments move in cycles.

The Federal Constitution conserves and protects all that real Americans hold precious; it should not be changed by legislative caucus but by the direct vote of the people.

There is not a State in the Federal Union whose constitution may be amended by the State legislature. The various State constitutions may be amended only by the electorate of the State. How utterly archaic, therefore, it is to deny the electorate an opportunity to express itself upon the proposed change in our fundamental law.

If the consent of the voters be required to alter and amend a State constitution, a fortiori the vote of the people should be required to change the Federal Constitution.

It is vital to our American system that the voter should have an opportunity to say at the ballot box what form of government he desires to live under.

If you are not willing that the State legislatures should choose United States Senators, for a much stronger reason the State legislatures should not change your fundamental law.

Every argument in favor of the election of Senators by a direct vote of the people is a stronger argument in favor of consulting the people on constitutional amendments.

I favored the amendments providing for the income tax, direct election of Senators, prohibition, and woman suffrage. I believe they were wise amendments, and that they were in response to the deliberate judgment and progressive thought of a vast majority of our countrymen; indeed, I believe those amendments were demanded by the people and were not forced upon the people. My belief, unfortunately, does not settle the question, for the stubborn fact exists that millions of our countrymen thoroughly believe that the prohibition and woman-suffrage amendments were adopted by cunning, by craftiness and indirection, and that the Congress and the State legislatures were either browbeaten into voting for the amendments or were induced to do so by an insidious lobby. It is my opinion that if a referendum to the people on the prohibition and woman-suffrage amendments could have been had, each amendment would have been adopted and ratified by the electors. We should, therefore, take the requisite steps to preclude the opportunity in the future of a recurrence of such discontent and suspicion by providing a means by which the electors of each State may pass upon amendments to the Federal Constitution.

Mr. President, there are 435 Members of the House of Representatives and 96 Members of the Senate, in all 531. I ask unanimous consent to include in the RECORD, as a part of my remarks, a statement showing the number of State senators, number of members of the house or assembly, as the case may be, in the State legislatures.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

*Number of members in State legislatures according to the year 1919.*

| State. | Senate. | House or assembly. |
|---|---|---|
| Alabama | 35 | 106 |
| Arizona | 19 | 35 |
| Arkansas | 35 | 100 |
| California | 40 | 80 |
| Colorado | 35 | 60 |
| Connecticut | 35 | 258 |
| Delaware | 17 | 35 |
| Florida | 32 | 75 |
| Georgia | 44 | 189 |
| Idaho | 37 | 65 |
| Illinois | 51 | 152 |
| Indiana | 50 | 100 |
| Iowa | 50 | 108 |
| Kansas | 40 | 125 |
| Kentucky | 38 | 100 |
| Louisiana | 41 | 115 |
| Maine | 31 | 151 |
| Maryland | 27 | 102 |
| Massachusetts | 40 | 240 |
| Michigan | 32 | 100 |
| Minnesota | 67 | 130 |
| Mississippi | 49 | 133 |
| Missouri | 34 | 142 |
| Montana | 41 | 95 |
| Nebraska | 33 | 100 |
| Nevada | 17 | 37 |
| New Hampshire | 24 | 404 |
| New Jersey | 21 | 60 |
| New Mexico | 24 | 49 |
| New York | 51 | 150 |
| North Carolina | 50 | 120 |
| North Dakota | 49 | 113 |
| Ohio | 36 | 128 |
| Oklahoma | 44 | 111 |
| Oregon | 30 | 60 |
| Pennsylvania | 50 | 207 |
| Rhode Island | 39 | 100 |
| South Carolina | 44 | 124 |
| South Dakota | 45 | 103 |
| Tennessee | 33 | 99 |
| Texas | 31 | 142 |
| Utah | 18 | 46 |
| Vermont | 30 | 246 |
| Virginia | 40 | 100 |
| Washington | 41 | 97 |
| West Virginia | 30 | 94 |
| Wisconsin | 33 | 100 |
| Wyoming | 27 | 57 |
| | 1,760 | 5,643 |

*Number of members in State legislatures, etc.*—Continued.

| | |
|---|---|
| Members of senate | 1,760 |
| Members of houses of assembly | 5,643 |
| Total | 7,403 |

Mr. ASHURST. So we have a total of 7,403 members of the State legislatures, according to the figures for the year 1919. Not two-thirds but a bare majority of that 7,400 men may pass upon an amendment to the Constitution.

We find ourselves in this posture: Two-thirds of the Congress and a majority of the 7,400, or about 4,500 men, pass upon the destiny of the most advanced people that ever lived in the tide of time. We set ourselves up as the leader among the nations in thought and as responsive to the people's will, and yet 4,500 men, if they saw fit, could Prussianize the Republic.

Mr. President, it is startling to investigate and then reflect upon the perils that have come and that in the future may come by a continued failure to set a time limit within which a proposed amendment may be ratified.

Four different amendments duly proposed by the Congress are now pending before the States for their action. These amendments are as follows:

One, proposed September 15, 1789, 134 years ago, relating to enumeration and representation:

ARTICLE 1. After the first enumeration required by the first article of the Constitution there shall be one Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than one Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives, nor more than one Representative for every 50,000 persons.

Another, proposed September 15, 1789, 134 years ago, relating to compensation of Members of Congress:

ART. 2. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

Another, proposed May 1, 1810—113 years ago—to prohibit citizens of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States, and shall be incapable of holding any office of trust or profit under them, or either of them.

Another, proposed March 2, 1861—62 years ago—known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

I think the Senator from New York [Mr. WADSWORTH] took a bold and progressive step recently when he introduced his proposed constitutional amendment granting to the people the right to vote upon amendments.

Mr. KING. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. The Senator mentioned a moment ago the ratification of the Constitution in the early days. I ask for information. My recollection is that most of the legislatures of the 13 Colonies—or many of them, at least—were elected with reference to the Constitution, so that the people had the right to choose——

Mr. ASHURST. The Senator is correct. Conventions in most instances were called and the question submitted was the ratification of the convention of 1787. In the case of Virginia I presume that never on this continent has there been assembled in one State more learning and wisdom than was assembled in the Virginia convention which ratified the Federal Constitution, and after a debate which lasted many days and was participated in by the leading statesmen of Virginia the Federal Constitution was ratified by 10 majority.

On September 15, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within exactly two years and three months, whilst Nos. 1 and 2, although proposed 134 years ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people, or the States, rather, have been for 134 years, and are now subject to ratification or rejection by the States. After those two proposed amendments, to wit, Nos. 1 and 2, had been in nubilus—"in the clouds"—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called "back-salary grab," resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789, and if the amendment had been freshly proposed by Congress at the time of the "back-salary grab" instead of having been drawn forth from musty tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

Thus it would seem that a period of 134 years, or 84 years, within which a State may act is altogether too long, and I will support a proposition limiting the time to 6, 8, or 10 years within which a State may act under a particular submission, so that we will not hand down to posterity a conglomerate mass of amendments floating around in a cloudy, nebulous haze, which a State here may resurrect and ratify and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference to these various proposed amendments. Judgment on the case should be rendered within the ordinary lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

There is still another reason why a time limit should be set: When the 12 amendments were submitted in 1789 there were only 13 States. Vermont had not been admitted, if I remember correctly.

Question: Should three-fourths of the States then in the Union or three-fourths of those now in the Union be the test as to what shall be the number required for ratification?

The amendment proposed on May 1, 1810, was submitted to the States under the most interesting and peculiar auspices that ever came before a legislative body, and was as follows:

> If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them.

What was the reason for that proposed amendment? History does not disclose, but the reason was that when officials accept presents of great value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remark of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country." What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent, but it is possible that the presence of Jerome Bonaparte in this country a few years previous, and his marriage to a Maryland lady, may have suggested this measure.

An article in Niles's Register (vol. 72, p. 166), written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles relate to the passage of this amendment through Congress in regard to titles of nobility. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democratic Party would oppose it as unnecessary, which would thus appear to the public as a further proof of their subserviency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment. "It can do no harm" was what reconciled it to all.

That amendment was submitted 113 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the school-book histories and the public men stated that it was a part of our organic law, because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification or promulgate to the public any notice whatever as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation or promulgation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

When the War between the States began to throw its shadow over the land, men rushed here and there with a compromise to heal the breach, if possible, and tried to avert the shock that was apparently about to come to our governmental structure. Expedient after expedient was proposed, and just before the adjournment of Congress—to wit, on March 2, 1861—the following amendment, known as the Corwin amendment, to the Constitution of the United States was proposed to the States, and it read as follows:

> No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.) Proposed by Congress March 2, 1861.

That amendment was proposed by Congress on the 2d of March, 1861, and I warrant there are not 5,000 people in the United States to-day who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures and by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may not be voted upon by the State is not fair to posterity nor to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitations as to when an amendment may not be adopted, I am driven irresistibly to the conclusion that an amendment to the Constitution, once having been duly proposed, although proposed September 15, 1789, could not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall it, and silence is negation.

I am not without authority on this subject, and I shall include in the RECORD some data I have collected on this subject.

Along this line, though it may be academic, I think it ought to go in the record, when an amendment is once submitted Congress has no power to recall it. Congress obtains its power solely from the Constitution. There is power to submit, but no power to recall. Hence, I reach the conclusion, and I believe it is a logical, inevitable conclusion, that those amendments which were submitted so long ago are still pending. If defeated, when were they defeated? They are still

pending. But in respect to a State, the State may ratify an amendment and recall that ratification if before its final ratification the required number of States have not ratified.

That is in grave doubt. Many Senators and a great many others dispute the right of a State, after it has ratified, to withdraw its ratification. But I think the best opinion, the most matured thought, is that a State has a right to withdraw its ratification, provided the required number of States have not theretofore ratified, and provided further that the action of the State withdrawing the ratification does not change the result. Of course, after a State legislature has rejected a ratification, it may the next day or the next week or at any other time vote again; it may vote every day if it wishes; that is entirely within the discretion of the State legislature. But I notice that the amendment proposed by the able senior Senator from New York [Mr. WADSWORTH] proposes to clear away that doubt, and I think that is wise. It proposes in terms that the State shall have the right to withdraw its assent at any time before the required number have ratified. Am I correct?

Mr. WADSWORTH. The Senator is correct.

Mr. ASHURST. In other words, the amendment proposed by the Senator from New York would clear away that doubt and statesmen and others would be no longer in doubt as to whether a State could or could not withdraw its assent.

Mr. WADSWORTH. Mr. President, may I interrupt the Senator to ask if he has noted the comparatively recent decision of the Supreme Court of the United States relating to the action of the Legislature of Ohio and of the people of Ohio who voted at a popular referendum on one of the recently submitted amendments. My recollection is, and I will stand corrected if I am mistaken, that the Legislature of Ohio, when it had submitted to it one of the last two amendments proposed, ratified it, although at that moment there was pending before the people of Ohio a referendum on the same subject. The people of Ohio voted down the proposal which the legislature had ratified. It was part of the law of Ohio that a matter of that sort could be submitted by the legislature to the people for a direct vote. The Supreme Court held, however, that the referendum held under the laws and constitution of the State of Ohio had no force and effect and that, the legislature itself first having ratified, that constituted a legal ratification, thereby the will of the people being absolutely thwarted and ignored.

Mr. ASHURST. I recall that circumstance. In other words, no matter if the State of Ohio or of New York or any other State should at the polls unanimously reject a proposed amendment, if the legislature should ratify it by a bare majority of one in each house, that would be a constitutional ratification, because it is beyond the power of the State now to ratify a constitutional amendment other than by the method provided in the Constitution.

Mr. WADSWORTH. As I understand, the Supreme Court holds that the term "legislature," as contained in the article of the Constitution providing for amendments, means the legislative body elected by the people of the State.

Mr. ASHURST. The Senator is correct

Mr. WADSWORTH. The most restricted possible definition.

Mr. ASHURST. The Senator is correct.

Mr. WADSWORTH. And we can not include the people of a State as a part of the legislative machinery.

Mr. ASHURST. The Senator is entirely correct. If a State should abolish its legislature and resort to what we call the initiative to initiate laws and the referendum to pass upon them later, that State before it would be an eligible entity to pass upon an amendment to the Federal Constitution would have to set up some chosen body of men called its "legislature"; otherwise it would be impotent and powerless to pass upon a constitutional amendment.

At this juncture, Mr. President, I ask unanimous consent to include in the RECORD some copious data on this subject showing by what vote and when the various constitutional amendments were ratified. It will not take over half a column of the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DISCUSSION OF CONSTITUTIONAL QUESTIONS INVOLVED.

(Jameson.)

SEC. 585. VI. Two further questions may be considered: (1) When Congress has submitted amendments to the States, can it recall them? and (2) How long are amendments thus submitted open to adoption or rejection by the States?

1. The first question must, we think, receive a negative answer. When Congress has submitted amendments, at the time deemed by itself or its constituents desirable, to concede to that body the power of afterwards recalling them would be to give to it that of definitely rejecting such amendments, since the recall would withdraw them from the consideration of the States and thus render their adoption impossible. However this may be, it is enough to justify a negative answer to say that the Federal Constitution, from which alone Congress derives its power to submit amendments to the States, does not provide for recalling them upon any event or condition, and that the power to recall can not be considered as involved in that to submit as necessary to its complete execution. It therefore can not exist.

2. The same consideration will, perhaps, furnish the answer to the second question. The Constitution gives to Congress the power to submit amendments to the States; that is, either to the State legislatures or to conventions called by the States for this purpose, but there it stops. No power is granted to prescribe conditions as to the time within which the amendments are to be ratified, and hence to do so would be to transcend the power given. The practice of Congress in such cases has always conformed to the implied limitations of the Constitution. It has contented itself with proposing amendments, to become valid as parts of the Constitution, according to the terms of that instrument. It is therefore possible, though hardly probable, that an amendment once proposed is always open to adoption by the nonacting or nonratifying States.

The better opinion would seem to be that an alteration of the Constitution proposed to-day has relation to the sentiment and the felt needs of to-day, and that, if not ratified early, while that sentiment may fairly be supposed to exist, it ought to be regarded as waived and not again to be voted upon unless a second time proposed by Congress.

SEC. 586. In discussing the question of the right of the States to vote upon proposed amendments at any time after the date of their proposal it is proper to look into the consequences of such a right. If they have the right, there are now floating about us, as it were, in nubilous, several amendments to the Constitution proposed by Congress which have received the ratification of one or more States but not of enough to make them valid as parts of that instrument. Congress could not withdraw them, and there is in force in regard to them no recognized statute of limitations. Unless abrogated by amendments subsequently adopted, they are, on the hypothesis stated, still before the American people to be adopted or rejected.

In 1873 the Senate of Ohio, acting upon the theory that once proposed an amendment to the Constitution is always open to ratification, adopted a joint resolution ratifying the second of the 12 amendments submitted to the States by Congress in 1789, but then rejected, providing that "no law varying the compensation of Members of Congress shall take effect until an election for Representatives shall have intervened." This resolution, prepared by Madison, was an excellent one; but suppose it had been unjust, proposed, perhaps, in the interest of a section or of a party, and, failing at the time to receive the requisite majority, it had subsequently by a concerted rally of those interested in its adoption been carried without discussion or a clear expression of the existing public will; is that a true construction of the Constitution which may be followed by so dangerous consequences? And, supposing the right referred to exists, by what majority shall the resurrected amendments be adopted? If proposed in 1789, when the States numbered but 13 and when a majority of 10 States might have ratified the amendment, how many would have been requisite in 1873, when there were 38 States which would have been called upon to vote? If the answer should be that 29 States must have voted to ratify, since that number was three-fourths of all the States in 1873, however reasonable such an answer might seem, it would be founded upon no statute or custom of the country, and therefore different opinions as to its reasonableness might well be entertained. Hence the danger of confusion or conflict. We discuss this question here merely to emphasize the dangers involved in the Constitution as it stands and to show the necessity of legislation to make certain those points upon which doubts may arise in the employment of the constitutional process for amending the fundamental law of the Nation. A constitutional statute of limitation prescribing the time within which proposed amendments shall be adopted or be treated as waived ought by all means to be passed. (Jameson, John A. A treatise on constitutional conventions (4th ed., 1887), pp. 634–636).

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AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES PROPOSED BY CONGRESS BUT NOT RATIFIED BY THREE-FOURTHS OF THE STATES, COLLATED BY SENATOR ASHURST.

APPORTIONMENT OF REPRESENTATIVES.

After the first enumeration required by the first article of the Constitution, there shall be one Representative for every 30,000 until the number shall amount to 100; after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200; after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons. (1 Stat., 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by the following States:

New Jersey, November 20, 1789. (Senate Journal, p. 199, 1st Cong., 2d sess.)

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

New Hampshire, January 25, 1790. (Senate Journal, p. 105, 1st Cong., 2d sess.)

New York, March 27, 1790. (Senate Journal, p. 53, 1st Cong., 2d sess.)

Rhode Island, June 15, 1790. (Senate Journal, p. 110, 1st Cong., 2d sess.)

Virginia, October 25, 1791. (Senate Journal, p. 30, 2d Cong., 1st sess.)

Pennsylvania, September 21, 1791. (Senate Journal, p. 11, 2d Cong., 1st sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Pennsylvania had first rejected the proposed amendment March 10, 1790.

Rejected by Delaware January 28, 1790.

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

COMPENSATION OF MEMBERS OF CONGRESS.

No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10:)

Proposed by Congress September 15, 1789.

Ratified by the following States:

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

Delaware, January 28, 1790. (Senate Journal, p. 35, 1st Cong., 2d sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Virginia, December 15, 1791. (Senate Journal, p. 69, 2d Cong., 1st sess.)

Rejected by New Jersey, November 20, 1789 (Senate Journal, p. 199, 1st Cong., 2d sess.); New Hampshire, January 25, 1790 (Senate Journal, p. 105, 1st Cong., 2d sess.); Pennsylvania, March 10, 1790 (Senate Journal, p. 39, 1st Cong., 2d sess.); New York, March 27, 1790 (Senate Journal, p. 53, 1st Cong., 2d sess.); Rhode Island, June 15, 1790 (Senate Journal, p. 110, 1st Cong., 2d sess.).

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

TITLES OF NOBILITY.

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them or either of them. (2 Stat. 613.)

Proposed by Congress May 1, 1810.

Ratified by the following States:

Maryland, December 25, 1810.
Kentucky, January 31, 1811.
Ohio, January 31, 1811.
Delaware, February 2, 1811.
Pennsylvania, February 6, 1811.
New Jersey, February 13, 1811.
Vermont, October 24, 1811.
Tennessee, November 21, 1811.
Georgia, December 13, 1811.
North Carolina, December 23, 1811.
Massachusetts, February 27, 1812.
New Hampshire, December 10, 1812.

Rejected by New York (senate) March 12, 1811; Connecticut, May session, 1813; South Carolina, approved by senate November 28, 1811, reported unfavorably in house and not further considered December 7, 1813; Rhode Island, September 15, 1814.

AMENDMENT ABOLISHING OR INTERFERING WITH SLAVERY PROHIBITED (CORWIN AMENDMENT).

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

Proposed by Congress March 2, 1861.

Ratified by the following States:

Ohio, March 13, 1861.
Maryland, January 10, 1862.
Illinois (convention), February 14, 1862.

ATTEMPTS TO REGULATE RATIFICATION.

On May 23, 1866, when the resolution proposing the fourteenth amendment was under consideration, Mr. Buckalew, of Pennsylvania, submitted an amendment to add to the resolution the following additional section:

"SEC. 6. This amendment shall be passed upon in each State by the legislature thereof which shall be chosen, or the members of the most popular branch of which shall be chosen, next after the submission of the amendment, and at its first session; and no acceptance or rejection shall be reconsidered or again brought in question at any subsequent session; nor shall any acceptance of the amendment be valid if made after three years from the passage of this resolution." (Cong. Globe, vol. 36, p. 2771.)

When the fifteenth amendment was before the Senate on February 3, 1869, Mr. Buckalew, of Pennsylvania, proposed to add to the resolution submitting it to the States the words:

"That the foregoing amendment shall be submitted to the legislatures of the several States, the most numerous branch of which shall be chosen next after the passage of this resolution." (Cong. Globe, vol. 40, p. 828.)

His speech in support of this proposal on February 5, 1869, is reported in the Congressional Globe, volume 40, pages 912 and 913. On February 9, 1869, this amendment was rejected—yeas 13, nays 43.

On February 17, 1869, an amendment practically identical with the above was offered by Mr. Hendricks, of Indiana, and the constitutionality of such a limitation was discussed by Senators Morton, Bayard, Buckalew, Dixon, and Yates. The question being taken, the amendment was rejected—yeas 12, nays 40. (Cong. Globe, vol. 40, pp. 1311–1314.)

On January 30, 1882, Mr. Berry, of California, introduced a joint resolution (H. J. Res. 116, 47th Cong., 1st sess.) proposing an amendment to the Constitution to regulate ratification, as follows:

"SECTION 1. The legislature of a State shall not vote upon a proposed amendment to the Constitution of the United States except at a regular session held following an election of the members of the most numerous branch of the State legislature, which election must take place subsequent to the time of submission by Congress or a convention of the proposed amendment.

"SEC. 2. This amendment shall not take effect until the 5th of March, 1885."

On March 17, 1869, Mr. Morton, of Indiana, introduced in the Senate, and on March 29, 1869, Mr. Shanks, of Indiana, introduced in the House identical joint resolutions (S. J. Res. 32 and H. J. Res. 57, 41st Cong., 1st sess.), which read as follows:

"*Be it resolved, etc.*, That on the sixth legislative day of a regular session, or of a legally called special session, of any State legislature, each house of said legislature, at the hour of 12 meridian, shall proceed to the consideration of any amendment of the Constitution of the United States that may have been submitted by the Congress of the United States to the legislatures of the several States for ratification, according to the provisions of the fifth article of the Constitution of the United States: *Provided*, That such amendment may not have been acted upon at any preceding session of said legislature. And if, upon the consideration of such amendment, it shall receive the votes of a majority of the members elected to each house of said legislature, it shall be held to be duly ratified by such legislature. And if final action is not taken upon the first day, then the house shall meet the next day at the same hour and so continue to meet from day to day (Sundays excepted) until final action is taken upon such amendment. Nor shall the action of either house of said legislature upon such amendment be hindered or prevented by the resignation or withdrawal, or the refusal to qualify, of a minority of either or of both houses of said legislature.

"SEC. 2. *And be it further resolved*, That if such amendment or amendments shall be ratified according to the provisions of the preceding section, the same shall be duly certified by the officers of each house and shall be transmitted by the governor of the State to the President of the United States."

(Cf. Ames, H. V. The proposed amendments to the Constitution of the United States during the first century of its history. pp. 287–292.)

OPERATIONS OF THE BUDGET—ADDRESS OF PRESIDENT HARDING.

Mr. CALDER. Mr. President, yesterday the President of the United States, through the Vice President, Mr. Coolidge, delivered a very excellent address to the "members of the Government's business organization" at its fourth regular meeting having to do with operations of the Budget Bureau. I ask unanimous consent that the address may be printed in the RECORD in regular RECORD type.

There being no objection, the address was ordered to be printed in the RECORD in 8-point type, as follows:

PRESIDENT'S SPEECH COMMENDING BUDGET.

Following is the text of President Harding's address read by Vice President Coolidge yesterday on the operations of the Bureau of the Budget:

Members of the Government's business organization, this is the fourth regular meeting of the business organization of the Government. We have met to review the work of the first six months and to consider the task which confronts us for the remaining period of this fiscal year 1923 along the lines of coordination, economy, and efficiency—three inseparable factors to successful government. There can be no economy of operation without coordination, and efficiency without economy is impossible.

The first meeting of the business organization of the Government was held June 29, 1921, less than one month after the enactment of the budget and accounting act. We faced then the problem of inaugurating a budget system, and growing out of this the further problem of reforming the uncoordinated routine business of the Government. Probably there never was a time in our country's history when a revision of its financial procedures was so urgent and necessary. The habit of large expenditures, of almost unlimited obligation of the public credit, acquired during the World War, seemed difficult to restrain, while the continuing demand upon the National Treasury gave little indication of abatement.

POINTS WITH PRIDE TO RESULTS.

The budget and accounting act placed definitely upon the Chief Executive responsibility for checking the flood of expenditure. This task called for the help of the Government officers and employees, as the solution of the problem lay in coordination of the Government's business, requiring cooperation of its personnel and their commitment to a continuing constructive policy of economy. From this determination—that the solution of the financial problems of the Government could be achieved only by teamwork—came the call for that first meeting of those officials and employees in the Government service who have to do with its routine business. The campaign, then begun with such high hopes and courageous defiance of the obstacles to be overcome, is continuing to-day, and with no little pride and satisfaction we point to a continuing policy of economy with efficiency evidenced by the progressive and material reductions made in expenditures. This has been accomplished not only without impairment of the effective operation of the Government's departments and establishments but with an increase of efficiency resulting from a closer study of methods and cost of operation.

This achievement—your achievement—is a matter of great satisfaction to the Chief Executive, who takes this opportunity to express appreciation to all who have participated in the constructive and patriotic work, not only those charged with the administration of Government funds and who control large and important activities but, as well, those devoted Government people who have applied principles of economy to their daily work in various smaller ways through the conservation of Government supplies and time. When the spirit of real economy has permeated the entire rank and file of the public service, and the use of time and supplies is regarded as a public trust, many of our problems will be solved.

THREATENED DEFICIT RECALLED.

At our last meeting on July 11, 1922, we had just entered upon a new fiscal year. We were concerned over a threatened discrepancy of large proportions between estimated receipts and estimated expenditures. The executive departments estimated that they would call upon the Treasury during the 12 months of the year July 1, 1922, to June 30, 1923, for $3,771,000,000, while the estimate of ordinary receipts for that period reached a total of only $3,073,000,000. This situation indicated withdrawals from the Treasury of $698,000,000 more than it was anticipated would be received from ordinary sources. At that time, however, I expressed confidence that with the Budget organization and your cooperation we need not be unduly concerned and urged additional concerted effort to curtail expenditures in the laudable endeavor to keep our expenditures within our income.

The statement of expected receipts and proposed and anticipated expenditures given in the Budget for 1924, transmitted to Congress December 5 last, showed a probable excess of expenditures over receipts for the fiscal year 1923 of $273,000,000, a downward revision of $425,000,000 in the estimate made in July, and a real downward revision of $550,000,000 as the Budget statement included as an ordinary expenditure an item of $125,000,000 for discount accruals on war savings securities due January 1, 1923, which was not embraced in the estimate made in July. I am now advised that a revised estimate, just completed, shows a further reduction in the anticipated deficit for 1923 of $181,000,000, which indicates, as the situation exists to-day, an apparent deficit of $92,000,000 for the current fiscal year. This gratifying result is due not only to reductions in the program of expenditure but also to an increase in the anticipated total of revenue and other receipts for the year. The adherence to the policy of economy and the effective coordination of routine business were important factors in reducing this estimated deficit.

What now confronts us is the overcoming of this estimated deficit of $92,000,000, and, if possible, the closing of this fiscal year with a balance on the right side of the ledger. I must look to you, therefore, for continuing efforts to control your expenditures during the remainder of this fiscal year, for in this way you can aid materially. I know that I can rely upon you.

At my last meeting with you I emphasized the necessity of keeping the estimates for the next fiscal year, ending June 30, 1924, within the receipts for that year which, at that time, were estimated at $3,198,000,000. I also stated that the probable receipts for the next fiscal year would not permit as liberal appropriations as were provided for the current year. It is a pleasure to state that the estimates of appropriations submitted to Congress for the fiscal year 1924 are $120,000,000 less than the estimated receipts for that year, and $196,000,000 less than the appropriations for the current year. Whatever pressure may have been brought to bear on the executive departments of the Government with reference to their estimates, there must have been in the departments concerned a spirit of sacrifice and cooperation to make this real achievement possible. Treasury conditions, however, demanded such cooperation and sacrifice. The Chief Executive expected it, but nevertheless wishes to express his full appreciation of it.

RESPONSIBLE FOR BUDGET.

In view of the importance of the subject and to guard against misapprehension as to the nature of the Budget, I take occasion to refer to the fundamental principles which control its preparation. Under the terms of the law the President is required to transmit the Budget. It is his Budget; he recommends it to Congress upon his own responsibility as the head of the executive branch of the Government. The estimates of appropriations contained therein are his estimates, except those for the legislative branch and the Supreme Court. The Budget law, recognizing the fact that the President could not personally attend to all of the details involved in the preparation of the Budget, gave to him an agency and designated it the Bureau of the Budget. It did not confer upon this bureau any function which it could exercise independently of rules and regulations of the President. There can not, therefore, be any conflict of procedure or policy between the President or the members of his Cabinet and the Director of the Bureau of the Budget. The Budget as transmitted to Congress embodies the administrative policies which the President has decided to recommend.

Very significant and encouraging is the cooperation and collaboration between Congress and the Executive in connection with estimates for appropriations. It is the endeavor of the President to present to Congress calls for funds that are sufficient, and no more than sufficient, to carry out approved policies. The budget and accounting act place no limitation upon the power and right of Congress to increase or decrease estimates submitted. This is in accord with the spirit of our institutions, and is as it should be. It is my hope and expectation that, as the Budget procedures develop, the estimates transmitted to Congress will be so carefully prepared, and will present so accurate a picture of the real operating needs of the Government as materially to lighten the burden of the appropriating committees. But it is not expected or desired that Congress should relinquish any of its prerogatives regarding public funds—prerogatives so wisely given to the people's representatives by the founders of the Government.

COORDINATION BRINGS RESULTS.

I am kept advised by the Director of the Bureau of the Budget of the constructive work being done by the various coordinating agencies and area coordinators under the immediate leadership of the chief coordinator, and of the value of the work being done by the several coordinating boards composed of the representatives of the departments and establishments. These coordinating agencies are accomplishing the purpose for which they were created—to provide the machinery through which to coordinate the activities of the departments and establishments, so as to guarantee the most provident and efficient expenditures of public funds, and to furnish the Executive an agency for imposing a unified, concerted plan of governmental routine business. The results attained show how admirable these important agencies are functioning. They are performing a most important part in the task of developing teamwork, instituting economies, and applying business principles to Government routine operation. These efforts have the interest and cordial indorsement of the Chief Executive.

I am also much interested in the organization of the Federal associations in various parts of the country carrying out from the seat of government into the field the gospel of teamwork, economy, and efficiency.

A subject always in mind when I meet with you is that of deficiency and supplemental estimates, and I am glad to note a marked improvement in the number, character, and amount of such estimates this fiscal year. The fact that Congress has made a new record in the passing of appropriation bills at an early date makes it certain that the heads of departments and establishments will have sufficient time before the beginning of the fiscal year 1924 to plan their expenditure program and apportion the funds appropriated to fit the program so planned. This makes it possible to avoid to a greater extent than in other years the necessity for supplemental and deficiency appropriations.

KEEPING OF RESERVES URGED.

I am not unmindful of the fact that many appropriations are made for disbursement by the departments, although the total of the obligations to be discharged is not within administrative control, payments being required to be made pursuant to the terms of specific statutes. Supplemental estimates in such cases can not be avoided, no matter how carefully estimates have been considered, both in the preparation and in the action by Congress thereon, unless the original estimate be made largely in excess of what past experience has indicated will be required. However, where appropriations are within the control of administrative officers a serious emergency only should justify departure from a well-considered plan of expenditure made in advance and contemplating a total within the amount fixed in the appropriating act. I shall expect, therefore, that in making expenditure plans for 1924 you will give this subject most careful consideration and in making apportionment of appropriations under your control you will not fail to make provision, usually by setting up a reasonable reserve, for the ordinary variation in the needs of the several periods of the year and what may be called ordinary emergencies.

General Lord, the Director of the Bureau of the Budget, will take up with you in detail the work of the past six months, with particular reference to the preparation of the Budget and the work of the various coordinating agencies, and I give way to him, expressing in closing, however, my satisfaction and appreciation of the good work you have done, the good work you are doing, and the good work I know you will continue to do.

WORK FOR WHOLE NATION.

If you have made sacrifices of certain cherished plans in connection with your work in order that expenditures might be reduced, if you have become discouraged and wearied at this continuing insistence upon economy, if you have labored, as possibly some of you have labored, without apparent recognition of your services, we should remember that what we are

doing is not for ourselves, not for our immediate chief, not for the President of the United States, but for the people, the stockholders of this great business, who are dependent upon us for the welfare and the proper conduct of this great business. Honest work well and faithfully done brings its own recompense in the consciousness of duty performed. To you, representatives of the business organization of the Government, and to all my faithful colaborers in the Government service, wherever stationed, I tender my thanks and appreciation for services rendered.

ORDER FOR RECESS UNTIL NOON TO-MORROW.

Mr. LENROOT. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. LENROOT. Mr. President, the Senate has now been in session 4 hours and 20 minutes to-day, and, while it is constantly asserted by certain Senators across the aisle that they are vitally interested in the welfare of the farmer and are anxious to see rural credits legislation passed at this session, we have not even touched the consideration of the pending bill to-day.

The Senator from Mississippi [Mr. HARRISON] occupied something like three hours of the time of the Senate this afternoon in what I think was clear to everyone was an undisguised filibuster. That would not have been so serious if it were not for the fact that the Senators who are discussing extraneous subjects and occupying the time of the Senate, when they ought to be considering the question before the Senate, are preventing thousands of farmers in this country from obtaining the credit facilities for the planting of their crops this spring which they might obtain if Senators would address themselves to the pending legislation. At best this bill can not become a law and be put into operation by whatever agency shall be created within 30 or 60 days. Do not those Senators see that if the discussion drifts on as it has been drifting, every day that is wasted in the Senate instead of being devoted to the consideration of the pending legislation may mean the loss of the proposed credit facilities to the farmers of the United States for the planting of their crops this year?

Mr. President, I know the Senator from Mississippi would be delighted if I should fall into his trap, as some other Senators sometimes do, and aid him in his efforts to delay matters by replying to him, but I am not going to do that. The Senator from Mississippi, however, like other Senators, when he engages in making a speech solely for the purpose of delay necessarily can not be very accurate in his statements. That was true in the case of the Senator from Mississippi to-day. He occupied half an hour of the time of the Senate in an effort to argue that President Harding took no interest in the needs of agriculture or in a financial credit system for the farmer until after the election last November.

Mr. President, in order that whoever may hereafter read the CONGRESSIONAL RECORD may ascertain for himself how utterly reckless the Senator from Mississippi has been in his statements to-day I ask unanimous consent to insert in the RECORD the speech of President Harding at the agricultural conference called by him more than a year ago, at which time he discussed this whole question fully, utterly refuting the statement of the Senator from Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address of the President is as follows:

ADDRESS BY THE PRESIDENT OF THE UNITED STATES.

Secretary Wallace and members of the conference, it is an occasion of the greatest satisfaction to me that Secretary Wallace's invitation has been so widely and cordially accepted. I confess the firm belief that in the public life of a people so intelligent as the American Nation most problems may be regarded as well on the way to solution when they are once reduced to their simplest terms and generally understood. This conference was called with the aim to bring about such a general understanding of the critical situation now confronting American agriculture.

We all understand that this conference is not a legislative body. Its recommendations will require to be written into the statute books by other authorities, or applied in administration, after sanction by those who must assume responsibility. But we do confidently anticipate that the considerations here had will be helpful and illuminating to those immediately responsible for the formulation of public policy in dealing with these problems. Therefore it has seemed to me I can make no more appropriate observation than that your work here will be of value precisely as you address yourselves to the realities, the matters of fact, the understanding of conditions as they are, and the proposal of feasible and practicable methods for dealing with those conditions.

Concerning the grim reality of the present crisis in agriculture, there can be no differences of opinion among informed people. The depressions and discouragements are not peculiar to agriculture, and I think it fair to say there could have been no avoidance of a great slump from war-time excesses to the hardships of readjustment. We can have no helpful understanding by assuming that agriculture suffers alone, but we may fairly recognize the fundamental difficulties which accentuate the agricultural discouragements and menace the healthful life of this basic and absolutely necessary industry.

I do not need to tell you or the country of the supreme service that the farmer rendered our Nation and the world during the war. Peculiar circumstances placed our allies in Europe, as well as our own country, in a position of peculiar and unprecedented dependence on the American farmer. With his labor supply limited and in conditions which made producing costs high beyond all precedent, the farmer rose to the emergency. He did everything that was asked of him, and more than most people believed it was possible for him to do. Now, in his hour of disaster, consequent on the reaction from the feverish conditions of war, he comes to us asking that he be given support and assistance which shall testify our appreciation of his service. To this he is entitled, not only for the service he has done but because if we fail him we will precipitate a disaster that will affect every industrial and commercial activity of the Nation.

The administration has been keenly alive to the situation, and has given encouragement and support to every measure which it believed calculated to ameliorate the condition of agriculture. In the effort to finance crop movements, to expand foreign markets, to expand credits at home and abroad, much has been accomplished. These have been, it is true, largely in the nature of emergency measures. So long as the emergency continues, it must be dealt with as such; but at the same time there is every reason for us to consider those permanent modifications of policy which may make relief permanent, may secure agriculture so far as possible against the danger that such conditions will arise again, and place it as an industry in the firmest and most assured position for the future.

You men are thoroughly familiar with the distressing details of present conditions in the agricultural community. The whole country has an acute concern with the conditions and the problems which you are met to consider. It is a truly national interest, and not entitled to be regarded as primarily the concern of either a class or a section.

Agriculture is the oldest and most elemental of industries. Every other activity is intimately related to and largely dependent upon it. It is the first industry to which society makes appeal in every period of distress and difficulty. When war is precipitated, the first demand is made on the farmer, that he will produce the wherewithal for both combatants and the civil population to be fed, and in large part also to be clothed and equipped. It is a curious fact that agriculture has always been the first line of support of communities in war and too commonly the victim of those distresses which emanate from great conflicts. Perhaps I may be pardoned a word by way of developing this idea. Until comparatively very recent times the land was the first prize of victory in war. The conqueror distributed the subjugated soil among his favorites and gave them his prisoners as slaves to work it. Thus the ownership of the land became the symbol of favor and aristocracy, while the working of it was regarded as the task of menials, dedicated to ill-paid toil in order that the owners of the land and the rulers of the state might be able to maintain themselves in luxury and to enforce their political authority.

Coming down through the ages, we see the advance of civilization gradually emancipating the soil from this low estate. We see the institutions of serfdom and villenage, under the feudal order, succeeding those of slavery. Later we see the creation of a rural peasantry, comprising broadly those who till the soil but in most cases do not own it, and whose political rights are very restricted. It is, indeed, not until we come to very recent times and to our own country's development that we see the soil lifted above the taint of this unjust heredity and restored to the full dignity and independence to which it is entitled.

Even in our own times and under the most modern and enlightened establishments the soil has continued to enjoy less liberal institutions for its encouragement and promotion than many other forms of industry. Commerce and manufacturing have been afforded ample financial facilities for their encouragement and expansion, while agriculture on the whole has lagged behind. The merchant, the manufacturer, the great instruments of public transportation, have been provided methods by which they enlist necessary capital more readily than does the farmer. A great manufacturing industry can consolidate under the ownership of a single corporation with a multitude of stockholders, a great number of originally separate establishments, and thus effect economies and concentrations, and acquire for itself a power in the markets where it must buy and in the markets where it must sell, such as have not been made available to agriculture. The farmer is the most individualistic and independent citizen among us. He comes nearest to being self-sufficient; but precisely because of this he has not claimed for himself the right to employ those means of cooperation, coordination, and consolidation which serve so usefully in other industries. A score or more of manufacturers consolidate their interests under a corporate organization and attain a great increase of their power in the markets, whether they are buying or selling. The farmer, from the very mode of his life, has been estopped from these effective combinations; therefore, because he buys and sells as an individual, it is his fate to buy in the dearest and sell in the cheapest market.

The great industrial corporation sells its bonds in order to get what we may call its fixed or plant capital, just as the farmer sells a mortgage on his land in order to get at least a large part of his fixed or plant capital. I am not commending the bonding or mortgage system of capitalization, rather only recognizing a fact. But there in large part the analogy ends. Both the manufacturer and the farmer still require provision of working capital. The manufacturer, whose turnover is rapid, finds that in the seasons when he needs unusual amounts of working capital he can go to the bank and borrow on short-time notes. His turnover is rapid, and the money will come back in time to meet his short-term obligation. The merchant finances his operations in the same way. But the farmer is in a different case. His turnover period is a long one; his annual production is small compared to the amount of investment. For almost any crop the turnover period is at least a year; for live stock it may require two or three years for a single turnover. Yet the farmer is compelled, if he borrows his working capital, to borrow for short periods, to renew his paper several times before his turnover is possible, and to take the chance that if he

is called upon untimely to pay off his notes he may be compelled to sacrifice growing crops or unfinished live stock. Obviously the farmer needs to have provisions adapted to his requirements for extension of credit to produce his working capital.

Under the necessities of war time consolidation and centralization of credit resources and financial capabilities went far to sustain the struggle. Essential industries were extended the help and support of society because society recognized its dependence on them. Much that was economically unsound and unfair was perpetrated under cover of this effort to uphold necessary industrial factors. But the lesson was useful and justifies inquiry as to whether, properly adapted to peace conditions, the methods of larger integration and wider cooperation might not well be projected into times of peace.

The need of better financial facilities for the farmer must be apparent on the most casual consideration of the profound divergence between methods of financing agriculture and other industries. The farmer who owns his farm is capitalist, executive, and laborer all in one. As capitalist he earns the smaller return on his investment. As executive he is little paid, and as laborer he is greatly underpaid in comparison to labor in other occupations.

There is much misconception regarding the financial status of agriculture. If the mortgage indebtedness of farms shows over a given period a marked tendency to increase, the fact becomes occasion for concern. If during the same period the railroads or the great industries controlled by corporations find themselves able to increase their mortgage indebtedness by dint of bond issues, the fact is heralded as evidence of better business conditions and of capital's increased willingness to engage in these industries and thus insure larger production and better employment of labor. Both the mechanism of finance and the preconceptions of the community are united in creating the impression that easy access to ample capital is a disadvantage to the farmer, and an evidence of his decay in prosperity, while precisely the same circumstances are construed in other industries as evidence of prosperity and of desirable business expansion.

In the matter of what may be called fixed investment capital, the disadvantage of the farmer so strongly impressed public opinion that a few years ago the Federal Farm Loan Board was established to afford better supplies of capital for plant investment and to insure moderate interest rates. But while unquestionably farm finance has benefited, the board has thus far not extended its operations to the provision of working capital for the farmer as distinguished from permanent investment in the plant. There should be developed a thorough code of law and business procedure, with the proper machinery of finance, through some agency, to insure that turnover capital shall be as generously supplied to the farmer and on as reasonable terms as to other industries. An industry, more vital than any other, in which nearly half the Nation's wealth is invested can be relied upon for good security and certain returns.

In the aggregate, the capital indebtedness of the country's agricultural plant is small, not large. Compared with other industries, the wonder is that agriculture, thus deprived of easy access to both investment and accommodation capital, has prospered even so well.

The lines on which financial support of agriculture may be organized are suggested in the plan of the Federal Farm Loan Board, and in those rural finance societies which have been so effective in some European countries. The cooperative loaning associations of Europe have been effective incentives to united action by farmers, and have led them directly into cooperation in both production and marketing which have contributed greatly to the stabilization and prosperity of agriculture. Whether we examine the cooperative societies of Russia, now recognized as the most potent support in that disturbed country for orderly society, or whether we turn to the great and illuminated cooperative associations which have strengthened the California agricultural industries; whether we examine the cooperative societies of Ireland and Denmark or the like organizations which handle the potatoes of Maine, or the cantaloupes of Colorado; whether we consider these organizations as means to buying the farmer's requirements in a cheaper market or to selling his products in a more remunerative one, the conclusion is in all cases the same. It is, that the farmer is as good a business man as any other when he has the chance; that he is capable of organization, cooperation, and coordination; that he will apply sound methods to his business whenever he has the chance;. that his credit can be better established, his particular needs of capital on terms suited to his requirements can be met; that, these things accomplished, he ceases to be an underpaid laborer, an unpaid executive, and a capitalist with an unremunerative investment.

It can not be too strongly urged that the farmer must be ready to help himself. This conference would do most lasting good if it would find ways to impress the great mass of farmers to avail themselves of the best methods. By this I mean that, in the last analysis, legislation can do little more than give the farmer the chance to organize and help himself.

Take cooperative marketing. American farmers are asking for, and it should be possible to afford them, ample provision of law under which they may carry on in cooperative fashion those business operations which lend themselves to that method, and which, thus handled, would bring advantage to both the farmer and his consuming public. In countries where these facilities and opportunities have been afforded such cooperative organizations have been carried to the highest usefulness and are recognized as aiding both farmer and consumer. They make the farmer's selling price higher and the consumer's buying price lower.

But when we shall have done this, the farmers must become responsible for doing the rest. They must learn organization and the practical procedures of cooperation. These things we can not do for them, but we can and should give them the chance to do them for themselves. It will be for them to demonstrate their readiness and willingness and ability to utilize such instrumentalities. There is need for wide dissemination of information and understanding of methods, and for development of what I may call the spirit and purpose of cooperation. The various excellent societies of farmers which are represented here have a large responsibility in this regard. They have already done much, but they have much more to do if the American farmer shall be brought most effectively to help himself through organization and cooperation.

One of the most serious obstacles to a proper balancing of agricultural production lies in the lack of essential information. All too frequently such information is gathered by private interests whose concern is private profit rather than the general good. Agriculture can not thrive under conditions which permit the speculator, the broker, the forestaller, because of superior information, to become chief beneficiaries. The element of speculation in crop production is at best so great as to dictate that other speculative elements, always liable to be manipulated to the disadvantage of the producer, shall be reduced to the minimum.

With proper financial support for agriculture, and with instrumentalities for the collection and dissemination of useful information, a group of cooperative-marketing organizations would be able to advise their members as to the probable demand for staples, and to propose measures for proper limitation of acreages in particular crops. The certainty that such scientific distribution of production was to be observed would strengthen the credit of agriculture and increase the security on which financial advances could be made to it.

The disastrous effects which arise from overproduction are notorious. The congressional joint committee on agricultural conditions in the valuable report which it has recently issued declares that a deficiency of one-tenth in the production of a particular staple means an increase of three-tenths in the price, while a deficit of two-tenths in production will mean an increase of eight-tenths in the price.

The converse of this is just as emphatically true. In a recent address to the Congress I stated this situation thus:

"It is rather shocking to be told, and to have the statement strongly supported, that 9,000,000 bales of cotton raised on American plantations in a given year will actually be worth more to the producers than 13,000,000 would have been. Equally shocking is the statement that 700,000,000 bushels of wheat raised by American farmers would bring them more money than a billion bushels. Yet these are not exaggerated statements. In a world where there are tens of millions who need food and clothing which they can not get such a condition is sure to indict the social system which makes it possible."

It is apparent that the interest of the consumer, quite equally with that of the producer, demands measures to prevent these violent fluctuations which result from unorganized and haphazard production. Indeed, the statistics of this entire subject clearly demonstrate that the consumer's concern for better stabilized conditions is quite equal to that of the producer. The farmer does not demand special consideration to the disadvantage of any other class; he asks only for that consideration which shall place his vital industry on a parity of opportunity with others and enable it to serve the broadest interest.

No country is so dependent upon railroad transportation as is the United States. The irregular coast lines of Europe, its numerous indenting arms of the sea, as well as its great river system, afford that continent exceptional water transportation. The vast continental area of the United States is quite differently situated, its greater dependence upon railroad transportation being attested by its possession of nearly one-half the railroad mileage of the world; and even this is not adequate. The inevitable expansion of population will enormously increase the burden upon our transportation facilities, and proper forethought must dictate the present adoption of wise and farseeing policies in dealing with transportation.

If broad-visioned statesmanship shall establish fundamentally sound policies toward transportation, the present crisis will one day be regarded as a piece of good fortune to the Nation. To this time railroad construction, financing, and operation have been unscientific and devoid of proper consideration for the wider concerns of the community. To say this is simply to admit a fact which applies to practically every railroad system in the world. It is as true regarding the railroads of Canada and Great Britain as it is in reference to those of the United States. It is equally applicable to the railways of continental Europe, in whose development considerations of political and military availability have too far overweighed economic usefulness. In America we have too long neglected our waterways. We need a practical development of water resources for both transportation and power. A large share of railway tonnage is coal for railroad fuel. The experience of railway electrification demonstrates the possibility of reducing this waste and increasing efficiency. We may well begin very soon to consider plans to electrify our railroads. If such a suggestion seems to involve inordinate demands upon our financial and industrial power, it may be replied that three generations ago the suggestion of building 260,000 miles of railways in this country would have been scouted as a financial and industrial impossibility. Waterway improvement represents not only the possibility of expanding our transportation system, but also of producing hydroelectric power for its operation and for the activities of widely diffused industry.

I have spoken of the advantage which Europe enjoys because of its easy access to the sea, the cheapest and surest transportation facility. In our own country is presented one of the world's most attractive opportunities for extension of the seaways many hundred miles inland. The heart of the continent, with its vast resources in both agriculture and industry, would be brought in communication with all the ocean routes by the execution of the St. Lawrence waterway project. To enable ocean-going vessels to have access to all the ports of the Great Lakes would have a most stimulating effect upon the industrial life of the continent's interior. The feasibility of the project is unquestioned, and its cost, compared with some other great engineering works, would be small. Disorganized and prostrate, the nations of central Europe are even now setting their hands to the development of a great continental waterway, which, connecting the Rhine and Danube, will bring water transportation from the Black to the North Sea, from Mediterranean to Baltic. If nationalist prejudices and economic difficulties can be overcome by Europe, they certainly should not be formidable obstacles to an achievement less expensive and giving promise of yet greater advantages to the peoples of North America. Not only would the cost of transportation be greatly reduced but a vast population would be brought overnight in immediate touch with the markets of the entire world.

This conference needs have no fear of unfortunate effects from the fullest development of national resources. A narrow view might dictate, in the present agricultural stress, antagonism to projects of reclamation, rehabilitation, and extension of the agricultural area. To the contrary, if agriculture is to hold its high place, there must be the most liberal policy in extending its opportunity. The war, as was recently well said by the Secretary of Agriculture, has brought our country more quickly, but not more inevitably, to the necessity of deciding whether this shall be predominantly an industrial country or one in which industry and agriculture shall be encouraged to prosper side by side, and to complement each other in building here a community of diverse interests. If our policy shall be, as it ought, to encourage the dual development, then we have need to consider the early and continuing reclamation of those great areas which with proper treatment would become valuable additions to our agricultural capacity. To this end every practical proposal for watering our arid and semiarid land, for reclaiming cut-over forest areas, for protecting fertile valleys from inundations, and for draining the potentially rich and widely extended swamp areas, should be given the full encourage-

ment of the Government. All this should be a part of recognized permanent policy. Not otherwise will it be possible to keep the Nation self-supporting and as nearly self-contained as it has been in the past.

There must be a new conception of the farmer's place in our social and economic scheme. The time is long past when we may think of farming as an occupation fitting for the man who is not equipped for or has somehow failed at some other line of endeavor. The successful farmer of to-day, far from being an untrained laborer working every day and every hour that sun and weather permit, is required to be the most expert and particularly the most versatile of artisans, executives, and business men. He must be a good deal of an engineer, to deal with problems of drainage, road building, and the like. He requires the practical knowledge of an all-round mechanic to handle his machinery and get best results from it. The problems of stock raising and breeding demand understanding of biology, while those of plant raising and breeding call for a wide practical knowledge of botany and plant pathology.

In handling his soils for best results, in using fertilizers, determining rotations, and in selecting and using feeds for stock he has need for a working knowledge of chemistry. As our timber supply is reduced, his service in conserving and expanding the timber resources of the farm will be increasingly important, necessitating an intimacy with forestry and forestation. There is no business in which the executive talents of the skilled organizer and manager are more absolutely necessary than in successful farming, and this applies alike to the producing, the buying, and the selling phases of farming. Along with all this the farmer must have untiring energy and a real love and enthusiasm for his splendid profession. For such I choose to call the vocation of the farmer—the most useful, and, it ought to be made, one of the most attractive among all lines of human effort.

Mr. JONES of Washington. Mr. President, will the Senator from Wisconsin yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LENROOT. I do.

Mr. JONES of Washington. I wish to suggest, in connection with what the Senator from Wisconsin stated, that a month or so ago many Senators on this floor were urging the importance of legislation for the farmer; they were urging the necessity of the Senate proceeding at once to the consideration of rural credit measures, and yet now, when rural credit legislation is before the Senate, apparently they have lost their zeal for the farmer and have taken the time of the Senate upon entirely extraneous matters, thereby preventing the passage of legislation that would be of benefit to the farmer.

Mr. FLETCHER. I wish to say there is not any question but that the rural credits bill will pass the Senate; there is no effort being made to prevent its passage. It is pretty well understood there will be no difficulty about the enactment of the legislation by this Congress so far as the Senate is concerned.

Mr. HEFLIN. I ask for a vote on my amendment to the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Alabama.

Mr. LENROOT. Mr. President, I wish to say merely a word with reference to the amendment. I doubt very much whether the provision of the Federal reserve act which the Senator from Alabama seeks to repeal by the amendment ever did any good, and I am perfectly sure there is no occasion for retaining it in the law now. My own view is that any bank that would be willing to pay as high a rate of interest as the Senator from Alabama has so often narrated to the Senate ought not to be given credit at all, and it would not be if this provision of the law were repealed. The provision is not any longer in force, so far as the Federal Reserve Board is concerned, and is not utilized, and I think that it ought to be repealed.

Mr. HEFLIN. Mr. President, it is true that the provision is not now utilized and the rediscount rate has been reduced, but the provision is still in the law and ought to be taken out, because if it remains in the law at some time in the future it may again be resorted to. I ask for a vote upon the amendment.

Mr. KING. I ask that the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 13. That the act approved April 13, 1920, being Public, No. 170, Sixty-sixth Congress, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," be, and the same is hereby, repealed.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Alabama.

The amendment was agreed to.

Mr. LENROOT. I desire to offer some perfecting amendments. On page 2, line 16, after the word "corporation," I move to strike out the comma and insert a semicolon.

The amendment was agreed to.

Mr. FLETCHER. May I inquire of the Senator why that change should be made? The sentence seems to be grammatical with the present punctuation.

Mr. LENROOT. I do not want the words "organized under the laws of any State" to relate back to national banks; that is all. National banks, of course, are not organized under the laws of any State.

Mr. FLETCHER. But the Senator proposes to include in the act incorporated live-stock loan or farm-credit companies?

Mr. LENROOT. Yes. I am going to offer another amendment to insert the words "or of the United States," so as to include the corporations provided for under the Capper bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Wisconsin to strike out the comma and insert a semicolon at the place indicated.

The amendment was agreed to.

Mr. LENROOT. On page 2, line 19, after the word "State," I move to insert the words "or of the United States."

The amendment was agreed to.

Mr. LENROOT. On page 5, line 22, after the words "live stock," I move to insert the word "loan."

The amendment was agreed to.

Mr. KING. May I inquire of the Senator whether the antecedent is clearly shown there; that is, whether the context would indicate that it was intended to include live-stock loan companies?

Mr. LENROOT. It will read "live-stock loan company."

Mr. KING. Is the Senator proposing to amend existing law?

Mr. LENROOT. No; this is new legislation.

Mr. KING. I apprehend that there is a distinction between a live-stock company and a live-stock loan company.

Mr. LENROOT. That is why I want to put in the word "loan." The word "loan" has been omitted merely through an error. The provision is only intended to refer to live-stock loan companies.

Mr. KING. That is what I was inquiring about, whether there was anything in this bill or in the bill of which this is amendatory to indicate that a live-stock loan company was in contemplation of the legislators rather than a live-stock company.

Mr. LENROOT. That was one of the primary purposes of the Capper bill.

I offer the amendment which I send to the desk, to come in page 13.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 13, on lines 4, 5, and 6, it is proposed to strike out the words "and may be paid out of any surplus in excess of 100 per cent of subscribed capital."

Mr. KING. I ask that that amendment be again stated.

The amendment was again stated.

Mr. STERLING. Mr. President, will not the Senator from Wisconsin explain that amendment?

Mr. LENROOT. This amendment and the one following that will be offered to this section are to make it identical with the amendments that were adopted to the same provision in the Capper bill. Senators will remember that there was a good deal of discussion and controversy over that section of the bill, and the matter was settled by the Senate. This amendment is merely to carry out the will of the Senate, as expressed in the Capper bill, with respect to this question.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The READING CLERK. On page 13, line 7, it is proposed to strike out the words "and surplus," so that, if amended, it will read:

Out of any net earnings remaining after the aforesaid dividends claims have been fully met there shall be paid each year—

And so forth.

Mr. KING. Mr. President, let me inquire the significance of that and see that we fully apprehend it, because it seems to me that that is an amendment of some importance.

Mr. LENROOT. I will say that as this language was originally written—the Senator will remember that it was fully discussed in connection with the Capper bill—no dividend could be paid until a surplus of 100 per cent had been accumulated. That was changed so that the dividend may be paid out of pending earnings, but after the dividend is paid a surplus shall be accumulated until it shall amount to 100 per cent of the subscribed capital; and then, when 12 per cent is earned, an additional 3 per cent may be distributed, and of the remaining earnings 10 per cent may be paid to the surplus and 90 per cent as an additional franchise tax.

Mr. McLEAN. It conforms to the present law.

Mr. LENROOT. It conforms to the present law exactly.

Mr. KING. May I inquire of the Senator whether the amendment which he has just offered meets the concurrence of the members of the Committee on Banking and Currency?

Mr. LENROOT. The chairman of the committee is here. He himself offered the same amendment to the Capper bill.

Mr. McLEAN. Yes. These amendments were offered and adopted to the Capper bill, because as the bill now reads no dividend could be paid until the Federal reserve bank had accumulated a surplus of 100 per cent, and that was not intended by the committee; it was not intended by the author of the bill; and we had to make this correction so that the Federal reserve banks could draw their dividends on their stocks as under the original act. There was no intention to interfere with that; but the Capper bill, as originally drawn, contained that error, and we want this provision to be identical with the provision in the Capper bill.

Mr. KING. Mr. President, I should like to inquire of the Senator to what extent he is seeking to modify the provisions of the original Federal reserve law, which is the existing law dealing with this particular question?

Mr. McLEAN. None whatever, except that when the banks earn more than 12 per cent, and have their 100 per cent put aside, then 3 per cent can be added to the dividends on the stock, as an invitation to the State banks to come into the system.

Mr. FLETCHER. Mr. President, as I understand, this language with the words stricken out as proposed by the Senator is precisely the same as in the Federal reserve act.

Mr. McLEAN. Precisely.

Mr. FLETCHER. So there is no change in that provision.

Mr. KING. Then, as I understand the Senator, it was not contemplated by the committee or by the proponent of this bill that the words "and surplus" should be there?

Mr. McLEAN. No. If the Senator will read the provision as printed in the bill, he will see that no dividend can be paid until the bank has accumulated 100 per cent surplus.

Mr. KING. Yes; I understand.

Mr. McLEAN. It was an error in drafting the bill, and it was noticed, and I had it corrected in the Capper bill, and it should be corrected in this bill.

Mr. KING. But it passed unnoticed in the committee, and the committee in reporting the bill did not ask for emendation as suggested now by the Senator?

Mr. McLEAN. It was amended in the Senate when the Capper bill came into the Senate.

Mr. KING. I am speaking of the present bill—the Lenroot bill—now under discussion.

Mr. McLEAN. This bill was reported before the Capper bill was passed, I think.

Mr. LENROOT. It was agreed in the committee that the same changes should be made in both bills.

Mr. KING. Then it was just an error in reporting the bill without noticing this proposed amendment?

Mr. LENROOT. It was; and I think it arose from the fact that the original draftsman of that section assumed that 100 per cent surplus had been accumulated in all of the banks, and that has proved not to be so.

Mr. McLEAN. That was the assumption; but it was ascertained that the Dallas bank had not accumulated the surplus.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, on line 17, does not the Senator think the language would be a little clearer if we added, after the word "earnings," the words "of any year," so that it would read:

And thereafter when net earnings of any year exceed 12 per cent.

Mr. LENROOT. That is all right.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 13, line 17, after the word "earnings," it is proposed to insert "of any year," so that it will read:

And thereafter when net earnings of any year exceed 12 per cent.

The amendment was agreed to.

The READING CLERK. Also, on the same page, it is proposed to strike out lines 19 and 20 and to insert in lieu thereof the following words:

And 10 per cent of the remaining net earnings shall be paid into the surplus and 90 per cent shall be paid to the United States as an additional franchise tax.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. President, will the Senator explain the purpose of the amendment he is tendering now?

Mr. LENROOT. Under this provision they are entitled to a normal dividend of 6 per cent. Out of the additional earnings they are required to build up a surplus. When the surplus amounts to 100 per cent of the subscribed capital, and when the earnings in any year exceed 12 per cent, they may declare an additional dividend of 3 per cent to the stockholders. Of anything then remaining, 10 per cent must go to additional surplus to build up the surplus further, and 90 per cent must go to the Treasury as a franchise tax.

Mr. KING. What is paid now as a franchise tax?

Mr. LENROOT. Part of it goes to surplus. The act has been amended, and I do not remember just what the present provision is.

Mr. McLEAN. The franchise tax is the surplus paid into the Treasury.

Mr. KING. May I address an inquiry to the Senator from Wisconsin, as well as the able chairman of the committee, about the criticisms which we have heard from time to time about the enormous earnings of the Federal reserve member banks?

The Senators know that criticisms have been made upon the floor of the Senate, and criticisms have frequently appeared in the press to the effect that during the past year or two the earnings of the members of the Federal reserve system—at least, some of them—have been extremely great; indeed, so great as to have led to the criticism that these banks were profiteering.

I express no opinion relative to those criticisms. I simply ask the chairman of the committee whether, in dealing with this question—the earnings of the Federal reserve banks, the disposition to be made of them, the amount to be paid in dividends, and the amount to be paid as a franchise tax—any investigation was made of these criticisms, and if the committee felt that there was any necessity of amending existing law other than in the particulars submitted by the Senator from Wisconsin?

Mr. McLEAN. That criticism has been directed to the bill many times—the feeling that they were making too much money. The Senator knows that these profits do not affect the discount rate.

Mr. KING. No.

Mr. McLEAN. That is an entirely different matter, and must be fixed by some one, and must be paid in order to control the system, and the Senator will find that at the present time the profits are not large. They were necessarily large during the years of expansion, and the feeling of the committee was that it was pretty difficult to anticipate with regard to these profits. A good many of the banks, I think, are not making much of anything now, and inasmuch as this surplus goes into the Treasury of the United States, and does not affect the discount rate, the committee saw no reason for changing the law. It would not benefit the borrower in any way.

Mr. KING. The Senator recalls that the criticism went a little further, perhaps, than I indicate, namely, that in order rather to conceal their enormous profits they had been paying extravagant salaries to the employees of the banks, and, indeed, had been employing too many persons. I do not know that a consideration of that question would be pertinent or really germane to this bill; and yet I observe that attempts are made in this bill to amend the existing Federal reserve act in respect to a great many matters, and it occurred to me that if those criticisms had any justification it might be well to curb any evils that the committee may have found to exist in the administration of the law.

Mr. McLEAN. The Senator knows that the commission of inquiry that was appointed more than a year ago went into that subject very carefully, and it was assumed that if any additional legislation was warranted it would have been suggested by that commission. No such recommendation was made, however, and if the Senator will read the testimony which was presented to that commission I think he will be satisfied that many of these insinuations and attacks upon the system, based upon the assumption that exorbitant salaries had been paid, were largely without foundation.

Mr. KING. It did seem to me that the criticism in regard to the actions of the board controlling the bank in New York had some foundation. It did seem to me that the amount proposed to be expended for the erection of a building was rather excessive, and that there seemed to be rather a disposition upon the part of the board of the bank in New York to treat their enterprise as one so absolutely divorced from the Federal Government or from Federal control as that the directors could do as they pleased with the proceeds, pay the dividends they pleased, pay the salaries they pleased, and expend an extravagant amount in the erection of buildings.

Mr. WADSWORTH. Will the Senator allow me to make an observation there?

Mr. McLEAN. Certainly.

Mr. KING. That was the impression made upon me by revelations here in the Senate, and by the debate.

Mr. McLEAN. That has been explained many times. It was explained a few days ago by the junior Senator from New York [Mr. CALDER], and I do not think there is very much foundation for the criticism.

Mr. WADSWORTH. There has been, as stated, a ruthless attack against the reserve bank in New York for putting up its building, and on account of the salaries it pays. As a matter of fact, the size of its business rivals that of the greatest banks in the city. Its salaries are less than the average paid by banks doing the same amount of business. The building it is putting up, on the basis of cost per cubic foot, is cheaper than the average bank building put up by a bank doing an equal amount of business. The attacks on it have been utterly unjustified.

Mr. KING. I have heard those attacks made.

Mr. WADSWORTH. So have I.

Mr. KING. And I have seen no refutation or any reply to the attacks. I may ask the Senator from Connecticut, in conclusion, as to this item, if as chairman of the committee he is satisfied with the amendment which has been offered, and if he feels that that deals with the subject now as comprehensively as the subject should be dealt with?

Mr. McLEAN. Certainly. These amendments were offered at my suggestion, and all of them were adopted as amendments to the Capper bill. They are necessary, unless the desire is to prevent the member banks from drawing any dividends on their subscriptions until the regional banks get 100 per cent surplus.

Mr. KING. I am not sufficiently advised to make such a recommendation.

Mr. FLETCHER. Mr. President, as the Senator from Wisconsin desires to reach a conclusion on the pending bill, I will submit a unanimous-consent request.

The VICE PRESIDENT. The Secretary will state the request.

The reading clerk read as follows:

It is agreed by unanimous consent that all debate upon the pending bill shall close at 4 o'clock p. m. on the calendar day of Monday, February 5, 1923, and that in the meantime no other legislation shall be considered unless by unanimous consent.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Glass | McCumber | Smith |
| Ball | Gooding | McKellar | Spencer |
| Brookhart | Hale | McLean | Stanfield |
| Bursum | Harris | McNary | Sterling |
| Calder | Harrison | Nelson | Sutherland |
| Cameron | Johnson | New | Swanson |
| Capper | Jones, Wash. | Norbeck | Trammell |
| Colt | Kellogg | Norris | Wadsworth |
| Curtis | Kendrick | Oddie | Walsh, Mass. |
| Ernst | King | Phipps | Walsh, Mont. |
| Fernald | Ladd | Poindexter | Warren |
| Fletcher | Lenroot | Reed, Pa. | Watson |
| George | Lodge | Shields | |
| Gerry | McCormick | Shortridge | |

The VICE PRESIDENT. Fifty-four Senators having answered to their names, a quorum is present. The Secretary will report the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that all debate upon the pending bill shall close at 4 o'clock p. m. on the calendar day of Monday, February 5, 1923, and that in the meantime no other legislation shall be considered unless by unanimous consent.

The VICE PRESIDENT. Is there objection to entering into the proposed agreement?

Mr. JONES of Washington. Mr. President, I can not consent to fixing Monday. I may say to the Senator from Florida that I would be willing to enter into an agreement to close debate on Friday, but I can not consent to any later date than that.

Mr. FLETCHER. I suggest that perhaps we may get together and agree on a time. We do not want to have any more delay in this matter than we can avoid, and I suggest Saturday at 3 o'clock.

Mr. JONES of Washington. No. I am very anxious to get this farm legislation through; I think it ought to be passed at an early date. We can not get it through too early to meet the situation that will develop in the spring, and I am willing to fix a time on Friday.

Mr. SMITH. Mr. President, may I call the attention of the Senator from Washington to the fact, known to all Senators here, that on a Saturday very little work is done. It is very hard to keep a quorum of the Senate on Saturday, and I think if he will make it Saturday, we will get together. We would not save any time by fixing Friday. If the Senator would make it Saturday at 3 o'clock, I do not think there would be any objection, and we would get this bill out of the way and go on then to the consideration of other work.

Mr. JONES of Washington. Of course, we ought to be here on Saturday doing the work of the session. I am willing to make it 3 o'clock or 4 o'clock on Friday, but I am not willing to go beyond Friday. I think that is very reasonable.

Mr. SMITH. Of course, that is merely an arbitrary distinction, if we are really and truly in earnest about saving time. I have served with the Senator a good long time, and I do not think either one of us has ever been guilty of trespassing upon the time of the Senate. I make a plea to him that in the interest of saving time we make it Saturday.

Mr. JONES of Washington. I plead with the Senator, in the interest of saving time and in the interest of saving night sessions, that we close it up on Friday.

Mr. SMITH. The proposition was to fix Monday as the date for a vote, and making it Saturday just splits the difference between Friday and Monday. Everything is arrived at by compromise. The Senator fixes Friday on the one side, and it was proposed on the other side to fix Monday, and I come in and split the difference.

Mr. JONES of Washington. The proposition was really to have night sessions beginning to-morrow night, and to try to limit debate to-morrow. That is what we are trying to do. I do not desire to be arbitrary, and I do not think I have been so; but I think it is best, if our minds are set on a matter, to frankly state it. I can not agree to fixing a later day than Friday.

Mr. HARRISON. Will not the Senator allow this question to be submitted to the Senate? There is a difference of opinion about it.

Mr. JONES of Washington. It is a matter of unanimous consent.

Mr. HARRISON. There are Senators on this side who do not want to agree to vote even on Monday, but we have tried to get together on Monday as the day when we shall vote.

Mr. JONES of Washington. There are Senators on this side who do not desire to agree to vote on Friday.

Mr. HARRISON. I was in hopes we could agree on this proposition, because it disarranges everything to have to meet here at night.

Mr. JONES of Washington. I know that.

Mr. HARRISON. Of course, it does not inconvenience some of us.

Mr. JONES of Washington. I am willing to try to avoid it.

Mr. HARRISON. We would save a good deal of time by agreeing to vote on Saturday, if we could get together on it.

Mr. JONES of Washington. We can avoid the difficulty by agreeing to vote on Friday.

Mr. McKELLAR. Mr. President, I doubt very much whether we would save any time by having night sessions.

Mr. JONES of Washington. That may be.

Mr. McKELLAR. I have very grave doubts about it.

Mr. HARRISON. The Senator from Washington must realize that if we can not get together on something within reason, the whole situation is going to get very confusing. Nominations may be held up, confirmations held up, and an extra session may be brought on.

Mr. JONES of Washington. I know the possibilities.

Mr. HARRISON. There are great possibilities, and we made a very fair proposition that debate on this bill shall stop on Monday. It was suggested by some one on the other side that the debate should stop on Saturday, and we agreed to that. Now, we are holding out on a difference of one day.

Mr. JONES of Washington. Yes; and I certainly think the Senator should not do it.

Mr. HARRISON. I may not insist on it, but some other Senator will, and there you are.

Mr. JONES of Washington. I hope they will not. I can not agree to vote later than Friday. I would like to get a vote at 4 o'clock on Friday, or agree that we shall take all the time we want on Friday, so that we will have an abundance of time to consider the bill and amendments.

Mr. FLETCHER. Of course, I do not care to press the matter if the Senator has made up his mind about it, but I was going to say that we were about at the close of the day on Tuesday——

Mr. JONES of Washington. We can run longer if we desire.

Mr. FLETCHER. We can run longer, and we can, of course, hold night sessions, if the majority insist on it. With reference to that, I am going to say that it is rather a serious

proposal in my judgment, because with the town full of grippe and influenza, I am not going to endanger my life or jeopardize my health by attending night sessions of the Senate.

I do not know how others may feel with reference to the situation, but I feel very strongly that the mortality among Senators is great already, and, if we begin holding night sessions, there will be fewer of us here at the end of the Congress than there are to-day. It is really quite a serious matter. I do not think we ought to resort to that course at all. I believe it would take a great many Assistant Sergeant at Arms to bring Senators here for night sessions so as to be able to transact much business. Then there are various publications on the ship subsidy question that it will take a great deal of time to read. I doubt if we would save any time by resorting to night sessions.

I think the Senator from Washington ought to accept the proposition that is made as a compromise, because I thought at first Monday was the earliest time we could agree upon, but I find Senators are willing to concede the point and make it Saturday.

Mr. JONES of Washington. Mr. President, I agree with reference to the seriousness of night sessions. I do not want to have the Senate hold night sessions. I hope we can avoid it. I am willing now to make an attempt to agree on any time Friday, at any hour of the day up until 12 o'clock at night, if Senators think they ought to have that much time to consider the measure. It is an important measure. No doubt important amendments will be offered to it, and those amendments ought to have consideration. I want to have them given consideration, and I am willing to give all the time necessary to have them properly considered. In order to do that I am willing to remain in session to-day as long as Senators may desire, and give ample time to-morrow, also.

I hope Senators will agree to a conclusion of the debate on the bill. I ask leave to modify the request so to provide that debate shall be concluded on the bill not later than 5 o'clock Friday. That proposal is subject to any change Senators may desire to present.

Mr. FLETCHER. Would the Senator accept the suggestion that general debate on the bill shall close at 5 o'clock Friday and that debate on the amendments shall be limited to 5 minutes thereafter?

Mr. JONES of Washington. To be concluded on Friday?

Mr. KING. That is for the Senate to determine.

Mr. JONES of Washington. No; I can not consent to carrying the bill over Friday. I am perfectly willing to close debate any time on Friday.

Mr. McKELLAR. Let us go on with the debate. I ask for the regular order.

Mr. JONES of Washington. Very well.

Mr. HARRISON. Mr. President, I believe there is already an order entered for a recess until 12 o'clock to-morrow when the Senate concludes its business to-day?

The VICE PRESIDENT. That order has been made.

Mr. HARRISON. How long does the Senator from Wisconsin expect to proceed this afternoon?

Mr. LENROOT. I would like to complete the formal amendments, anyway.

Mr. HARRISON. I move that the Senate take a recess, and on that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my general pair with the junior Senator from West Virginia [Mr. ELKINS] to the junior Senator from Texas [Mr. SHEPPARD] and vote "yea."

Mr. KELLOGG (when his name was called). I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the senior Senator from Pennsylvania [Mr. PEPPER] and vote "nay."

Mr. LODGE (when his name was called). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the junior Senator from Oklahoma [Mr. HARRELD] and vote "nay."

Mr. PHIPPS (when his name was called). I transfer my pair with the junior Senator from South Carolina [Mr. DIAL] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. SUTHERLAND (when his name was called). I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the junior Senator from New Hampshire [Mr. KEYES] and vote "nay."

Mr. WARREN (when his name was called). I transfer my pair with the Senator from North Carolina [Mr. OVERMAN] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. WATSON (when his name was called). I transfer my pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the junior Senator from Arizona [Mr. CAMERON] and vote "nay."

The roll call was concluded.

Mr. McCORMICK. I have a standing pair with the junior Senator from Wyoming [Mr. KENDRICK], which I transfer to the junior Senator from Colorado [Mr. NICHOLSON] and vote "nay."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Maryland [Mr. WELLER] and vote "nay."

Mr. REED of Pennsylvania. I transfer my general pair with the junior Senator from Delaware [Mr. BAYARD] to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. FERNALD (after having voted in the negative). I notice that the Senator from New Mexico [Mr. JONES] has not voted. Therefore I transfer my pair with that Senator to the senior Senator from Maryland [Mr. FRANCE] and allow my vote to stand.

Mr. GLASS. I transfer my general pair with the senior Senator from Vermont [Mr. DILLINGHAM] to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. GERRY. I wish to announce that the Senator from Texas [Mr. SHEPPARD] is absent on account of illness.

I wish also to announce that the Senator from New Mexico [Mr. JONES] and the Senator from South Carolina [Mr. DIAL] are absent on account of illness.

Mr. HARRISON. The Senator from Delaware [Mr. BAYARD] is absent on official business. He stands paired on this vote with the Senator from Iowa [Mr. CUMMINS].

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Illinois [Mr. McKINLEY] with the Senator from Arkansas [Mr. CARAWAY];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD];

The junior Senator from Ohio [Mr. WILLIS] with the senior Senator from Ohio [Mr. POMERENE]; and

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Montana [Mr. WALSH].

The result was announced—yeas 18, nays 34, as follows:

YEAS—18.

| | | | |
|---|---|---|---|
| Ashurst | Glass | La Follette | Swanson |
| Brookhart | Harris | McKellar | Trammell |
| Fletcher | Harrison | Norris. | Walsh, Mass. |
| George | King | Shields | |
| Gerry | Ladd | Smith | |

NAYS—34.

| | | | |
|---|---|---|---|
| Ball | Hale | McNary | Spencer |
| Bursum | Johnson | Nelson | Stanfield |
| Calder | Jones, Wash. | New | Sterling |
| Capper | Kellogg | Norbeck | Sutherland |
| Colt | Lenroot | Oddie | Wadsworth |
| Curtis | Lodge | Phipps | Warren |
| Ernst | McCormick | Poindexter | Watson |
| Fernald | McCumber | Reed, Pa. | |
| Gooding | McLean | Shortridge | |

NOT VOTING—44.

| | | | |
|---|---|---|---|
| Bayard | Edge | Moses | Robinson |
| Borah | Elkins | Myers | Sheppard |
| Brandegee | France | Nicholson | Simmons |
| Broussard | Frelinghuysen | Overman | Smoot |
| Cameron | Harreld | Owen | Stanley |
| Caraway | Heflin | Page | Townsend |
| Couzens | Hitchcock | Pepper | Underwood |
| Culberson | Jones, N. Mex. | Pittman | Walsh, Mont. |
| Cummins | Kendrick | Pomerene | Weller |
| Dial | Keyes | Ransdell | Williams |
| Dillingham | McKinley | Reed, Mo. | Willis |

So the Senate refused to take a recess.

Mr. LENROOT. Mr. President, a parliamentary inquiry. Was the amendment striking out lines 19 and 20, on page 13, agreed to?

The VICE PRESIDENT. It was agreed to.

Mr. LENROOT. And the amendment to strike out and insert was agreed to?

The VICE PRESIDENT. It was.

Mr. LENROOT. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 17, after line 18, it is proposed to insert a new paragraph, as follows:

Any Federal reserve bank may also buy and sell debentures and other such obligations issued by a Federal land bank under Title II of the Federal farm loan act, but only to the same extent as and subject to the same limitation as those upon which it may buy and sell bonds issued under Title I of said act.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LENROOT. On page 17, at the beginning of line 20, I move to strike out the word "cooperating" and to insert in lieu thereof the word "cooperative." That amendment is merely to correct a misprint.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LENROOT. On page 18, at the end of line 12, I move to insert the word "for."

The VICE PRESIDENT. The amendment proposed by the Senator from Wisconsin [Mr. LENROOT] will be stated.

The READING CLERK. On page 18, at the end of line 12, after the word "eligible," it is proposed to insert the word "for"; so that it will read:

Any other class of paper of such associations which is now eligible for rediscount.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LENROOT. Mr. President, there is one other amendment about which I have not consulted the chairman of the committee, but I am sure he will not object to it. On page 12, line 4, after the word "shall," I move to insert the words "be deemed and be held to be instrumentalities of the Government and shall."

Mr. FLETCHER. May I ask the Senator from Wisconsin to state just what the effect of that amendment, if agreed to, will be?

Mr. LENROOT. That is the language of the present farm loan act with reference to farm loan bonds and farm land banks. I was just a little afraid that without that recital the constitutional question might arise. That is avoided in the present farm loan act by reason of those words being inserted, and I wish the same words to apply to this recital of fact, as well as to the other. The amendment is proposed merely to avoid any constitutional question.

Mr. FLETCHER. It is designed to make that rule apply to the debentures to be issued under this proposed act?

Mr. LENROOT. Certainly.

Mr. FLETCHER. I think that is a very good amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LENROOT. Those are all the amendments, I think, Mr. President, which I now wish to offer.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole, and open to amendment.

### EXECUTIVE SESSION.

Mr. LENROOT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened; and (at 5 o'clock and 25 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Wednesday, January 31, 1923, at 12 o'clock m.

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## NOMINATIONS.

*Executive nominations received by the Senate January 30 (legislative day of January 29), 1923.*

### SECRETARIES OF EMBASSIES OR LEGATIONS.

#### CLASS 4.

The following-named persons to be secretaries of embassy or legation of class 4 of the United States of America:

Gustave Pabst, jr., of Wisconsin.
Rees H. Barkalow, of New Jersey.

### UNITED STATES DISTRICT JUDGE.

Charles L. McKeehan, of Pennsylvania, to be United States district judge, eastern district of Pennsylvania. (An additional position created by the act approved September 14, 1922.)

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## CONFIRMATIONS.

*Executive nominations confirmed by the Senate January 30 (legislative day of January 29), 1923.*

### ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Robert Woods Bliss to be envoy extraordinary and minister plenipotentiary of the United States of America to Sweden.

### THIRD ASSISTANT SECRETARY OF STATE.

J. Butler Wright to be Third Assistant Secretary of State.

### COLLECTOR OF CUSTOMS.

Philip Elting, of Kingston, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y.

### POSTMASTERS.

#### COLORADO.

Agnes M. Ward, Bennett.
Gerald H. Denio, Eaton.
Frank D. Aldridge, Wellington.

#### DELAWARE.

LeRoy W. Hickman, Wilmington.

#### IDAHO.

George F. Gleed, Bonners Ferry.
Avery G. Constant, Buhl.
Hazel Vickrey, Firth.
Samuel P. Oldham, Rexburg.
Haly C. Kunter, Ririe.

#### ILLINOIS.

Harry R. Morgan, Aledo.
A. Luella Smith, Chatham.
Harry S. Farmer, Farmer City.
Charles J. Douglas, Gilman.
Peter H. Conzet, Greenup.
John A. Dausmann, Lebanon.
Margaret Heider, Minonk.
Benjamin S. Price, Mount Morris.
John Lawrence, jr., O'Fallon.
William F. Hemenway, Sycamore.

#### INDIANA.

Frank Lyon, Arcadia.
Louis M. Biesecker, Cedar Lake.
Burr E. York, Converse.
Ilah M. Dausman, Goshen.
Hattie M. Craw, Jonesboro.
John M. Johnston, Loganport.
Ralph W. Gaylor, Mishawaka.
Vernon D. Macy, Mooresville.
Henry D. Long, New Harmony.
George E. Jones, Peru.
Ernest A. Bodey, Rising Sun.
Orville B. Kilmer, Warsaw.

#### IOWA.

Daniel H. Eyler, Clarion.
Henry H. Gilbertson, Lansing.
Charlie M. Willard, Persia.
Spencer C. Nelson, Tama.
Carl Wulkau, Williams.

#### MAINE.

Ralph T. Horton, Calais.
Michael J. Kennedy, Woodland.

#### MICHIGAN.

Herbert E. Ward, Bangor.
James W. Cobb, Birmingham.
George H. Neisler, Dearborn.
Ernest A. Densmore, Mason.
Ira J. Stephens, Mendon.
Charles J. Kappler, Port Austin.
Dorr A. Rosencrans, Reed City.
Charles H. Dodge, Romeo.
Charles A. Jordan, Saline.
Homer L. Allard, Sturgis.

#### MONTANA.

John M. Bever, Bridger.
Arthur C. Baker, Hamilton.
Estella K. Smith, Lima.

#### NEW HAMPSHIRE.

Harlie A. Cole, Groveton.
Fred W. Smith, North Woodstock.
James R. Kill Kelley, Wilton.

#### NEW JERSEY.

Annie E. Hoffman, Allenhurst.
Frederick Knapp, Little Ferry.
Joseph R. Forrest, Palisades Park.
Wilbur Fuller, Sussex.

#### NEW YORK.

James G. Lewis, Naples.

OKLAHOMA.

Forrest L. Strong, Clinton.
Perry E. High, Maysville.
Elmer D. Rook, Sayre.

OREGON.

Cyril G. Shaw, Kerry.
Henry H. McReynolds, Pilot Rock.

PENNSYLVANIA.

Edward A. P. Christley, Ellwood City.

TENNESSEE.

Simon C. Dodson, Sparta.
Michel K. Freeman, Westmoreland.

UTAH.

John A. Call, Bountiful.

## HOUSE OF REPRESENTATIVES.

TUESDAY, *January 30, 1923.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, we are not alone with Thee. He who considers the lily and notes the sparrow's fall has said to all men, "Come unto me." Bestow upon us this day the blessings of a free mind and an untroubled heart. Help us to forgive our enemies, to encourage the ignorant, to relieve the distressed, and to share with others the common fruits of toil. We thank Thee for the freedom of government and for the blessings that hallow the paths of our citizenship. Bless all educational, charitable, and religious institutions; may they go on unimpaired to higher usefulness. May every day bring to us, to our homes, and to our whole land the fragrant flowers of love, joy, patience, and good will. Through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE APPROPRIATION BILL—CONFERENCE REPORT.

Mr. CANNON. Mr. Speaker, I present a conference report (H. Rept. 1477) and accompanying statement on the legislative appropriation bill for printing under the rule.

The SPEAKER. The gentleman from Illinois presents the conference report and accompanying statement on the legislative appropriation bill for printing under the rule. The Clerk will report it.

The Clerk read as follows:

Conference report on the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Ordered printed under the rule.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada;

S. 4387. An act to authorize the building of a bridge across the Tugaloo River between South Carolina and Georgia; and

S. 4398. An act in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 1690) to correct the military record of John Sullivan.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate numbered 11, 31, and 35 to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, had receded from its amendment numbered 34 to said bill. That the Senate had disagreed to the amendment of the House of Representatives to the amendment of the Senate numbered 33 to said bill, had further insisted upon its said amendment, had requested a further conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and had appointed Mr. MCNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. OVERMAN, and Mr. SMITH as the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolutions:

Senate Resolution 422.

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. PHILANDER C. KNOX, late a Senator from the State of Pennsylvania.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Senate Resolution 423.

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. BOIES PENROSE, late a Senator from the State of Pennsylvania.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Senate Resolution 424.

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. WILLIAM E. CROW, late a Senator from the State of Pennsylvania.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 425.

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of the Hon. SHERMAN E. BURROUGHS, late a Representative from the State of New Hampshire.

*Resolved*, That a committee of six Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate take a recess until 12 o'clock to-morrow.

And that the Vice President, under the second resolution, had appointed Mr. MOSES, Mr. KEYES, Mr. HARRELD, Mr. MCKINLEY, Mr. BAYARD, and Mr. WALSH of Massachusetts members of the committee on the part of the Senate.

COLORADO RIVER PACT.

Mr. HAYDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing in 8-point type some information that I have gathered relative to the Colorado River compact.

The SPEAKER. The gentleman from Arizona asks unanimous consent to extend his remarks in the RECORD by inserting the matter indicated. Is there objection?

Mr. STAFFORD. Are they the gentleman's own remarks?

Mr. HAYDEN. They are partly my own remarks, but otherwise they are questions and answers relative to the pact, addressed to Mr. Hoover, chairman of the commission, and Mr. Davis, Chief Engineer, and others. The data that I have gathered, I am sure, will be of interest to the House as well as to the people of the seven States of the Colorado River Basin.

The SPEAKER. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. HAYDEN. Mr. Speaker, the Colorado River compact is of immediate and intense interest to the people of the seven States of the basin of that mighty river, and the Nation as a whole will soon realize its importance. This is the first time that so large a number of States have sought a unanimous agreement upon a question which vitally affects their common welfare. Very naturally there has been a desire to secure all the information that could possibly be obtained not only as to

the true meaning of the terms of the compact but also as to its effect when approved. In the hope that I might aid in this quest for knowledge, I have addressed a number of inquiries to those in the service of the Federal Government who are best qualified to speak on this subject. First among them is Hon. Herbert Hoover, who served as chairman of the Colorado River Commission, which drafted the compact. His reply is as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
*Washington, January 27, 1923.*

Hon. CARL HAYDEN,
*House of Representatives, Washington, D. C.*

MY DEAR MR. HAYDEN: Referring to your letter of January 9 addressed to the Secretary, inclosing questionnaire on the Colorado River compact, I am requested by Mr. Hoover to forward to you his answers to the questions which you propounded.

Very truly yours,

CLARENCE C. STETSON,
*Executive Secretary, Colorado River Commission.*

*Question 1. What was the reason for dividing the drainage area of the Colorado River and its tributaries into two basins, as provided in Article II of the Colorado River compact?*

The reasons were:

(a) The commission, upon analysis, found that the causes of present friction and of major future disputes lay between the lower basin States and the upper basin States, and that very little likelihood of friction lay between the States within each basin; that the delays to development at the present time are wholly interbasinal disputes; and that major development is not likely to be impeded by disputes between the States within each basin. And in any event, the compact provides machinery for such settlements.

(b) The drainage area falls into two basins naturally, from a geographical, hydrographical, and an economic point of view. They are separated by over 500 miles of barren canyon which serves as the neck of the funnel, into which the drainage area comprised in the upper basin pours its waters, and these waters again spread over the lands of the lower basin.

(c) The climate of the two basins is different; that of the upper basin being, generally speaking, temperate, while that of the lower basin ranges from semitropical to tropical. The growing seasons, the crops, and the quantity of water consumed per acre are therefore different.

(d) The economic conditions in the two basins are entirely different. The upper basin will be slower of development than the lower basin. The upper basin will secure its waters more by diversion than by storage, whereas the development of the lower basin is practically altogether a storage problem.

(e) The major friction at the present moment is over the water rights which might be established by the erection of adequate storage in the lower basin, as prejudicing the situation in the upper basin, and regardless of legal rights in either case. The States are now divided into two groups in opposition to each other legislatively, with little hope of the cohesion that is necessary before Federal aid can ever be secured.

The use of the group method of division was therefore adopted both from necessity, as being the only practical one, and from advisability, being dictated by the conditions existing in the entire basin.

*Question 2. Was the apportionment in Article III of the compact between the upper and lower basins arbitrary or was it based on the actual requirements of each basin?*

The apportionment was not arbitrary. It was based on a careful consideration of respective needs of the two basins. The data available was the estimates provided by the Reclamation Service, which follow, showing the total new and old acreage in the two basins, including not only all existing projects but all projects considered economically feasible and also those of doubtful feasibility and intended to cover every prospective development during the next 75 years. The commissioners and engineering staffs of the different States varied somewhat from the basic estimates of the Reclamation Service, and some compromise from these figures was agreed to by the commission to compensate in different directions. This was particularly the case with regard to the estimated consumption of water per acre. It will be noted that the total acreage in the lower basin, present and prospective, is given as 2,127,000, whereas that in the upper basin is given as 4,000,000. Therefore the amount of water depends partly on the consumption assumed per acre, and after general consideration an addition was made in each case to cover any possible mischances of calculation, the general addition being about 30 per cent more than the probable use.

*Table of Colorado River acreage.*

| | Acreage irrigated 1920. | New acreage. | Total acreage. |
|---|---|---|---|
| Lower basin: | | | |
| Arizona | 507,000 | 640,000 | 1,147,000 |
| California | 450,000 | 490,000 | 940,000 |
| Nevada | 5,000 | 35,000 | 40,000 |
| Total | 962,000 | 1,165,000 | 2,127,000 |
| Upper basin: | | | |
| Colorado | 740,000 | 1,018,000 | 1,758,000 |
| New Mexico | 34,000 | 483,000 | 517,000 |
| Utah | 359,000 | 456,000 | 815,000 |
| Wyoming | 367,000 | 543,000 | 910,000 |
| Total | 1,500,000 | 2,500,000 | 4,000,000 |

*Question 3. Why was 40 years fixed as the time for a future apportionment of the surplus water of the Colorado River?*

There was a decided conflict between the States over the period to be fixed in this paragraph, based chiefly on their ideas as to rapidity of development and actual use of the water. Some desired a shorter and some a longer time. Suggestions were made varying from 20 to 60 years. The 40-year period was finally arrived at as a common point of agreement. Judging by experience under other projects—the Imperial Valley and Salt River Valley, for instance—the full development of contemplated construction, as shown in the table following question 2, will take a much longer time than the one fixed.

*Question 4. Why was the term "Colorado River system" used in paragraph (a) of Article III, wherein 7,500,000 acre-feet of water is apportioned to the upper and lower basins, respectively?*

This term is defined in Article II as covering the entire river and its tributaries in the United States. No other term could be used, as the duty of the commission was to divide all the water of the river. It serves to make it clear that this was what the commission intended to do and prevents any State from contending that, since a certain tributary rises and empties within its boundaries and is therefore not an interstate stream, it may use its waters without reference to the terms of the compact. The plan covers all the waters of the river and all its tributaries, and the term referred to leaves that situation beyond doubt.

*Question 5. Why is the basis of division changed from the "Colorado River system" to the "river at Lee Ferry" in paragraph (d) of Article III, the period of time extended to 10 years and the number of acre-feet multiplied by 10?*

(a) I do not think there is any change in the basis of division as the result of the difference in language in Articles III (a) and III (b). The two mean the same. By reference to Article II (f) it will be seen that Lee Ferry, referred to in III (d), is the determining point in the creation of the two basins specified in III (a). The use of this term makes it plain that the 75,000,000 acre-feet are to be delivered in the main channel of the river above the various tributaries which contribute water below.

(b) The agreement as to the flow of 75,000,000 acre-feet at Lee Ferry during each 10-year period fixes a definite quantity of water which must pass that point. Under III (a) each basin is entitled to the use of 7,500,000 acre-feet annually. Judging by past records, there will always be sufficient flow in the river to supply these quantities, but in the improbable event of a deficiency, the lower basin has the first call on the water up to a total use of 75,000,000 acre-feet each 10 years. While there was in the commission a firm belief that no such shortage will ever occur, still this provision was adopted as a matter of caution. The period of 10 years was fixed as a basis of measurement, as being long enough to allow equalization between years of high and low flow, and as representing a basis fair to both divisions.

*Question 6. Are the 1,000,000 additional acre-feet of water apportioned to the lower basin in paragraph (b) of Article III supposed to be obtained from the Colorado River or solely from the tributaries of that stream within the State of Arizona?*

The use of the words "such waters" in this paragraph clearly refers to waters from the Colorado River system, and the extra 1,000,000 acre-feet provided for can therefore be taken from the main river or from any of its tributaries.

*Question 7. If more than 1,000,000 acre-feet of water are beneficially used and consumed annually on the tributaries of the*

*Colorado River in Arizona, will the excess above that amount be charged against the 75,000,000 acre-feet of water to be delivered at Lee Ferry during any 10-year period, as provided in paragraph (d) of Article III? In other words, will the use of any amount of water from the tributaries of the Colorado below Lee Ferry in any way relieve the States of the upper division from their obligation not to cause the flow of the river to be depleted below 75,000,000 acre-feet in any period of 10 consecutive years?*

I can see no connection between the use of waters in Arizona from Colorado River tributaries and the obligation of the upper States to deliver the 75,000,000 acre-feet each 10 years at Lee Ferry. Their undertaking in this respect is separate and independent and without reference to place of use or quantity of water obtained from any other source. On the face of this paragraph this amount of water must be delivered even though not used at all. The obligation certainly can not be diminished by the fact that Arizona obtains other water from another source. The contract is to deliver a definite amount of water at a definite point above the inflow of various important tributaries, and I find nothing in the compact which modifies this obligation, except the general limitation as to use, which is hereafter referred to.

*Question 8. As a matter of fact more than 1,000,000 acre-feet of water from the tributaries of the Colorado below Lee Ferry are now being beneficially used and consumed within the State of Arizona. Will the excess above that amount be accounted for as a part of the 7,500,000 acre-feet first apportioned to the lower basin from the waters of the "Colorado River system" as provided in paragraph (a) of Article III?*

By the provisions of paragraphs (a) and (b), Article III, the lower basin is entitled to the use of a total of 8,500,000 acre-feet per annum from the entire Colorado River system, the main river and its tributaries. All use of water in that basin, including the waters of tributaries entering the river below Lee Ferry, must be included within this quantity. The relation is reciprocal. Water used from these tributaries falls within the 8,500,000 acre-feet quota. Water obtained from them does not come within the 75,000,000 acre-feet 10-year period flow delivered at Lee Ferry, but remains available for use over and above that amount.

*Question 9. Does paragraph (c) of Article III contemplate a treaty between the United States and the Republic of Mexico under which one-half of a deficiency of water for the irrigation of lands in Mexico shall be supplied from reservoirs in Arizona?*

No. Paragraph (c) of Article III does not contemplate any treaty. It recognizes the possibility that a treaty may, at some time, be made and that under it Mexico may become entitled to the use of some water, and divides the burden in such an event, but the quantity to which that country may become entitled and the manner, terms, and conditions upon which such use may depend, can not be foreseen. It is a certainty that no such treaty will be negotiated and ratified which is unfair to the United States or any State or detrimental to their interests. To discuss whether or not a treaty might be made under which Mexico might be permitted to receive water impounded in a reservoir which may be constructed, is to indulge in speculation, but it is safe to say that if such a situation should result it will be only under conditions fair and satisfactory to all parties concerned.

*Question 10. What is the estimated quantity of water which constitutes the undivided surplus of the annual flow of the Colorado River and may the compact be construed to mean that no part of this surplus can be beneficially used or consumed in either the upper or the lower basins until 1963, so that the entire quantity above the apportionment must flow into Mexico, where it may be used for irrigation and thus create a prior right to water which the United States would be bound to recognize at the end of the 40-year period?*

(a) The unapportioned surplus is estimated at from 4,000,000 to 6,000,000 acre-feet, but may be taken as approximately 5,000,000 acre-feet.

(b) The right to the use of unapportioned or surplus water is not covered by the compact. The question can not arise until all the waters apportioned are appropriated and used, and this will not be until after the lapse of a long period of time, perhaps 75 years. Assuming that each basin should reach the limit of its allotment and there should still be water unapportioned, in my opinion, such water could be taken and used in either basin under the ordinary rules governing appropriations, and such appropriations would doubtless receive formal recognition by the commission at the end of the 40-year period. There is certainly nothing in the compact which requires any water whatever to run unused to Mexico, or which recognizes any Mexican rights, the only reference to that situation being the expression of the realization that some such rights may perhaps in the future be established by treaty. As I understand the matter, the United States is not "bound to recognize" any such rights of a foreign country unless based upon treaty stipulations.

*Question 11. Is there any possibility that water stored by dams in the tributaries of the Colorado River in Arizona, such as the Roosevelt Reservoir, on the Salt River, or the San Carlos Reservoir, on the Gila, might, under the terms of such a treaty, be released for use in Mexico to the injury of the water users of the projects for whose benefit such dams were constructed?*

I can not conceive of the making or the ratification of a treaty which would have such an effect. If it were possible to believe that the Federal Government would treat its own citizens with such absolute disregard of their property and rights, I presume that they would receive ample protection even as against the Government, under the provisions of the Federal Constitution.

It must be remembered that the United States now has a large financial interest in the projects already constructed. It is not to be presumed that action will be taken detrimental to these interests. Furthermore, each of the seven States directly concerned has two Members of the Senate, by which any treaty proposed must be ratified.

*Question 12. Is it true, as has been asserted, that, if the Colorado River compact be approved, the water which should reclaim 2,500,000 acres of land in Arizona will go to Mexico and there irrigate a vast area owned by American speculators who will cultivate the same with Asiatic cookie labor and raise cheap crops in competition with Arizona and California farmers?*

If such assertions have been made, there is absolutely nothing in the compact upon which they can be based. They are the result solely of unrestrained and unfounded imagination. As already stated, there is no reference in the compact to any rights of any persons in Mexico; none are created and none are recognized. That entire question, if it ever arises, must be dealt with by the Federal Government in the exercise of its treaty-making power. Such a subject was beyond the purview of the acts creating the commission, and it was intentionally omitted from the compact.

*Question 13. Objection has been made to paragraph (d) of Article III in that it authorizes the withholding of an indefinite amount of water by the States of the upper division during a drought which might extend over two or three years. If the drought should be broken by heavy rains the ensuing floods would provide the total of 75,000,000 acre-feet within the 10 years, but water would be denied to the lower basin when worst needed and oversupplied when not needed. In your opinion, does this provision of the compact seriously menace the proper and maximum development of irrigation projects in the lower basin?*

In my opinion, the provision about which you ask does not menace the proper and maximum development of irrigation projects in the lower basin.

The future development of the Colorado River Basin is dependent wholly upon the creation of storage. The lower States have certainly reached the limit of development by the direct diversion of the flow of the river. Reservoirs are imperative. They must be of sufficient size not merely to equalize the annual flow, but to impound the excessive floods of one year to supply a deficiency resulting from a following lean year. Such construction will obviate, to a great extent, the likelihood of the situation you suggest. Furthermore, there can not be a drought or lack of water in the lower States without a similar condition in the upper. A shortage of water below can only be caused by lack of rainfall above. It is inconceivable that any upper State would attempt to store and withhold water it did not need. Such action would not be permitted under the ordinary rules of law and is prohibited by the compact itself. If the water is used in the upper States, the return flow, ultimately large in quantity, necessarily runs down the stream. The large reservoir sites capable of impounding the flow for more than one year are in the lower, not the upper, basin, and it would be a physical impossibility for the upper States to withhold all the flow of the river for any long period, even if they desired to do so. For these reasons, I answer this question in the negative.

*Question 14. Can paragraph (d) of Article III be construed to mean that the States of the upper division may withhold all except 75,000,000 acre-feet of water within any period of 10 years and thus not only secure the amount to which they are entitled under the apportionment made in paragraph (a) but also the entire unapportioned surplus waters of the Colorado River?*

No. Paragraph (a) of Article III apportions to the upper basin 7,500,000 acre-feet per annum. Paragraph (e) of Article III provides that the States of the upper division shall not withhold water that can not be beneficially used. Paragraphs (f) and (g) of this article specifically leave to further apportionment water now unapportioned. There is, therefore, no possibility of construing paragraph (d) of this article as suggested.

*Question 15. Does paragraph (d) of Article III in any way modify the obligation of the States of the upper division, as expressed in paragraph (c), to permit the surplus and unapportioned waters to flow down in satisfaction of any right to water which may hereafter be accorded by treaty to Mexico? Within any year of a 10-year period, could the States of the upper division shift to the States of the lower division the entire burden of supplying such water to Mexico?*

(a) No. It is provided in the compact that the upper States shall add their share of any Mexican burden to the delivery to be made at Lee Ferry, whenever any Mexican rights shall be established by treaty. By paragraph (c) of Article III, such an amount of water is to be delivered in addition to the 75,000,000 acre-feet otherwise provided for.

(b) In the face of the specific provision of Article III (c) that the burden of any deficiency must be "equally borne," I can see no possibility of placing upon the lower division the entire burden. If the surplus is sufficient, there is no burden on anyone. If it is insufficient the plain language is that it must be equally shared, with the equally plain provision that the upper division must furnish its half.

*Question 16. Why is it that provision is made in paragraph (f) of Article III for a further apportionment, after 40 years, of the waters of the Colorado River system unapportioned by paragraphs (a), (b) and (c), but that no provision is made for a revision of the terms relating to the flow of the Colorado River at Lee Ferry, as set forth in paragraph (d)?*

No such special provision was necessary. All that the present commission has done has been by virtue of its power "to divide and apportion equitably" the waters of the river. By specifying in this compact the powers of the second commission in identical language the same powers are necessarily granted, and that commission may do whatever this one could, subject only to noninterference with individual rights which may have become vested under this agreement. It was therefore not considered necessary to specify powers in detail, since the grant of the general power includes the particular.

In this connection it must be remembered that the further compact at the end of 40 years can be entered into only by unanimous agreement of the States. Given such unanimity, anything desired may be done and any existing provisions modified or annulled.

*Question 17. In your opinion, will the States of the upper division or the States of the lower division benefit most by the terms of paragraph (e) of Article III when the same are in actual operation?*

This paragraph applies only to an unreasonable or arbitrary withholding or demand. I do not anticipate either arbitrary action or unreasonableness on the part of any of the States concerned. The upper States can gain nothing by withholding water not needed, nor can the lower States gain by demanding water for which they have no use. The paragraph is of value as an expression of the prohibition of such action, but I doubt if it is ever called into practical effect.

*Question 18. Why is the use of the waters of the Colorado River for navigation made subservient to domestic, agricultural, and power uses, as provided in paragraph (a) of Article IV?*

This article is an expression of the views of the commission as to the relative importance of the uses to which the waters of the river may be devoted. It is recognized that on many streams navigation is a paramount use, but on this particular river navigation is negligible in fact. As expressed in the language adopted, the river "has ceased to be navigable for commerce." This is a true statement of the existing situation. Below Yuma there is but little water in the river bed. The Laguna Dam, above Yuma, has made navigation between points above and below it physically impossible, and the construction of further dams in the development of the river will prevent navigation at other points, even if it were now physically possible. Power structures, irrigation dams and navigation can not conveniently exist together. It was therefore felt that the very great possible use of this water for power and irrigation far outweighed in economic importance the very slight and largely theoretical use which might be made for navigation, and this paragraph was drafted accordingly.

*Question 19. Why is the impounding of water for power purposes made subservient to its use and consumption for agricultural and domestic purposes, as provided in paragraph (b) of Article IV?*

(a) Because such subordination conforms to established law, either by constitution or statute, in most of the semi-arid States. This provision frees the farmer from the danger of damage suits by power companies in the event of conflict between them.

(b) Because the cultivation of land naturally outranks in importance the generation of power, since it is the most important of human activities, the foundation upon which all other industries finally rest.

(c) Because there was a general agreement by all parties appearing before the commission, including those representing power interests, that such preference was proper.

*Question 20. Will this subordination of the development of hydroelectric power to domestic and agricultural uses, combined with the apportionment of 7,500,000 acre-feet of water to the upper basin, utterly destroy an asset of the State of Arizona consisting of 3,000,000 horsepower, which it is said could otherwise be developed within that State if the Colorado River continues to flow, undiminished in volume, across its northern boundary line and through the Grand Canyon?*

(a) The subordination of power to agriculture will only diminish power in the case that it is necessary to stop the entire flow of the river at some lower dam at some particular season of the year in order to create reserves for the agricultural community. The normal engineering development of the river will proceed by various dams, of which the dam lowest down would be the only one where there would be the remotest probability of a complete stoppage of water flow. Indeed, this could not happen for at least a hundred years, as it would contemplate a development of acreage in the Lower Basin far beyond anything now dreamed of.

(b) The adequate development of power can only be obtained through the erection of storage and through the irrigation of the Upper Basin. Storage dams can be erected both in the lower and upper canyon in such a fashion as to secure an average flow of the water throughout the entire year, and thus the maximum power developed. The irrigation of the Upper Basin, as explained above, acts itself as a reservoir regulating the flow of the river, increasing the minimum flow, and thus increasing the average power.

(c) Obviously, the use of the water for irrigation in the upper basin must in some degree diminish the volume of power in the lower basin, even though the lower river were entirely regulated to secure an even flow of the water. But it can not be pretended that the upper basin is to be denied the right to the use of the water for agricultural purposes because of power demands in the lower basin. Such a pretension would not be supported in any of the courts, and if set up in the lower basin would mean that the basin will not be developed so long as the upper States can exert any legislative influence whatever. As a matter of fact, the power possibilities of the river are in no way diminished by the compact, unless it is to be assumed that there is not to be an equitable division of water.

(d) The compact provides that no water is to be withheld above that can not be used for purposes of agriculture. The lower basin will therefore receive the entire flow of the river, less only the amount consumptively used in the upper States for agricultural purposes.

(e) The contention that the Colorado River is to continue to flow undiminished in volume across the northern boundary line of Arizona is a contention that the upper States shall have no rights to irrigation. It is a direct negation of both equity and human rights.

*Question 21. Paragraph (c) of Article IV states that that article shall not interfere with the control by any State over the appropriation, use, and distribution of water within its own boundaries. Does this imply that the remainder of the compact may interfere with such intrastate control?*

This article seems the only one of the compact which might affect the relations of citizens of one State with each other, and it was therefore considered advisable to add the clause to which your question refers. I do not believe, however, that its insertion in this article would, by implication or otherwise, preclude the complete control by each State of its own internal affairs.

*Question 22. Does the Colorado River compact apportion any water to the State of Arizona?*

No, nor to any other State individually. The apportionment is to the groups.

*Question 23. In case of disagreements between the States of Arizona, California or Nevada as to a division among them*

*of the waters of the Colorado River system apportioned by the compact to the lower basin, what procedure will be followed and what rules will govern the settlement of such differences?*

This situation would be covered by Article VI. If its provisions are not sufficient or not satisfactory, then the dispute would be settled in the same way as other interstate conflicts now are, either by negotiation or agreement or by litigation.

*Question 24. What was the necessity for Article VII relating to the obligations of the United States to Indian tribes?*

This article was perhaps unnecessary. It is merely a declaration that the States, in entering into the agreement, disclaim any intention of affecting the performance of any obligations owing by the United States to Indians. It is presumed that the States have no power to disturb these relations, and it was thought wise to declare that no such result was intended.

*Question 25. Article VIII is somewhat confusing to me and I would like to have your interpretation of its meaning. Why is the term "storage capacity" used? Does the capacity of a reservoir to hold water necessarily mean that it will be filled? If this "storage capacity" is destroyed by the reservoir filling with silt, are all rights to the use of water in the lower basin likewise destroyed? Why was so small a figure as 5,000,000 acre-feet agreed upon as the measure of this "capacity"?*

(a) The first sentence of this paragraph is a recognition of the validity of present perfected rights to the use of waters and is inserted to obviate any fears on the part of present users that their rights might be impaired by the compact.

(b) The second sentence covers the situation now existing on the lower river. It is claimed that the entire low-water flow of the river has now been appropriated by users in California and Arizona, that rights to its continued and unimpaired flow have vested, and that any interference with these rights by attempted appropriation in the upper States could be prevented by appropriate legal proceedings. If such rights do exist, under the provisions of this paragraph they continue unimpaired until the use of water by direct diversion is substituted by its use through storage, at which time the enforcement of any rights to low-water flow for direct diversion obviously becomes unnecessary. When adequate storage has been provided, disputes over low-water flow necessarily cease. Five million acre-feet of storage is ample to provide water for all existing appropriations in the lower basin, and since it was intended only to meet the situation there it was agreed to. It is in no sense a limitation upon the size of the works to be built nor even an expression of opinion of the capacity to be adopted.

There can be no reasonable doubt in the mind of anyone as to the supply of water for a reservoir of this capacity. Given the capacity, the filling of the reservoir will result as a matter of course and physical necessity.

The rights to the use of the water in the lower basin are in no way dependent upon the construction of this or any other storage. The clause in question affects only rights to the direct diversion of low-water flow. The apportionment of water between the basins and the guaranty of quantity by the upper States have no relation to this situation, and whether storage is or is not provided, whether or not reservoirs fill with silt, the apportionment and mutual obligations as to division of water remain unaffected and unimpaired.

*Question 26. All of these questions have been asked primarily with a view to obtaining first-hand information for the benefit of the Legislature of the State of Arizona, which now has the Colorado River compact under consideration. Any further observations that you may care to make will, therefore, be appreciated.*

It seems to me a primary fact that the legislative action necessary for appropriations from Congress can not be secured nor construction work established at any point unless an equitable division of the waters of the Colorado River is first accomplished. There are only two methods of doing this; one is by compact and the other is by litigation. If this compact is not ratified it is necessary to start the process all over again, and I can see little hope of any more constructive basis of handling the problem than this compact already embraces.

The minor objections to the compact are generally based on exploitation of theoretical figures, without a full appreciation of the physical facts that govern the flow of the Colorado River. I have found that careful consideration of these physical surroundings of the river dissipate fear whenever they are carefully inquired into.

It is to be remembered also that until the dams are constructed the present flood menace will continue to threaten the Yuma project, the Imperial Valley, and other Arizona and California territory adjacent to the river on its lower reaches.

ANSWERS BY MR. ARTHUR P. DAVIS.

No engineer in America has made so great a study of the Colorado River as Arthur P. Davis, Director of the United States Reclamation Service. Under his supervision over a quarter of a million dollars has been expended in searching for the facts which are the basis of his conclusions as to what should be done in order to completely control and utilize the waters of that stream. For nearly 20 years he has had supervision over all the constructive work of the Reclamation Service, which includes the building of more great storage reservoirs than has been done by any other government in the world. This wide experience, therefore, qualifies Mr. Davis better than anyone else to answer the engineering questions which I have propounded.

DEPARTMENT OF THE INTERIOR,
UNITED STATES RECLAMATION SERVICE,
*Washington, January 30, 1923.*

Hon. CARL HAYDEN,
*House of Representatives.*

MY DEAR MR. HAYDEN: Reference is made to your letter of January 8, inclosing a list of questions relating to the Colorado River compact as it affects the State of Arizona.

Inclosed please find original and two carbon copies of our replies to the above questions.

Yours very truly, A. P. DAVIS, *Director.*

(Inclosures.)

*Question 1. Referring to paragraphs (a), (f), and (g) of Article II of the Colorado River compact as to waters diverted from drainage area of the Colorado River and its tributaries in the States of Colorado, New Mexico, Utah, and Wyoming.*

*Question 1-A. How many acre-feet of water are now so diverted annually and where is such water being used?*

Answer 1-A. The following table gives the present transmountain diversion from the Colorado River watershed, showing the average annual diversion in acre-feet:

| | Acre-feet. |
|---|---|
| Utah: | |
| Strawberry River to Provo River | 4,500 |
| Strawberry River to Spanish Fork River | 78,000 |
| Price River to Spanish Fork River | 1,500 |
| Virgin River to Pinto Creek | 23,000 |
| Total, Utah | 107,000 |
| Colorado: | |
| Colorado (Grand) to Cache la Poudre | 15,000 |
| Fraser to Clear Creek | 500 |
| Blue to Tarryall | 800 |
| Eagle to Arkansas | 1,200 |
| Cochetopa to Rio Grande | 2,500 |
| Total, Colorado | 20,000 |
| Total acre-feet existing diversions, upper basin | 127,000 |

*Question 1-B. Where are the proposed projects which contemplate additional diversions from the upper basin and the estimated cost of the same?*

Answer 1-B. In Senate Document 142, the following proposed diversions are listed, all in Colorado. No cost data are available:

| Proposed diversion (acre-feet annually): | Acre-feet. |
|---|---|
| Colorado (Grand) to Cache la Poudre (irrigation) | 10,000 |
| Fraser to Clear Creek or South Boulder (municipal and irrigation, Denver) | 110,000 |
| Williams Fork to Clear Creek (municipal and irrigation, Denver) | 50,000 |
| Blue and tributaries to South Platte (municipal and irrigation, Denver) | 100,000 |
| Eagle and tributaries to Arkansas | 40,000 |
| Extensions to existing diversions, irrigation | 7,000 |
| Total, Colorado | 317,000 |

*Question 1-C. What is the probable amount of water that will be diverted annually from the upper basin in the future?*

Answer 1-C. It does not appear probable that any large increase will take place in diversions from the upper basin in the near future. The only one that can be reasonably included as at all "probable" at the present time would be the proposed Fraser River diversion of 110,000 acre-feet for the Denver City water supply. For purposes of computation, however, we have included the entire amount as listed above.

| | Acre-feet. |
|---|---|
| Present diversions | 127,000 |
| Proposed diversions | 317,000 |
| Total | 444,000 |

*Question 2. As to waters diverted from the drainage area of the Colorado River and its tributaries in the States of Arizona, California, and Nevada.*

*Question 2-A. Is any other such diversion proposed except into the Imperial and Coachella Valleys?*

Answer 2–A. No data are at hand in regard to any proposed diversion from the drainage area of the Colorado River in the States of Arizona, California, or Nevada unless the Imperial Valley diversion be so considered.

*Question 2–B. How many acre-feet of water are now being used annually in the Imperial Valley?*

Answer 2–B. The present annual diversion of the Imperial Valley Canal is given as follows:

| Imperial irrigation district system: | Acre-feet. |
|---|---|
| United States land | 1,597,000 |
| Mexican lands | 540,000 |
| Main canal waste | 580,000 |
| Losses in Almo Channel | 173,000 |
| Total diversion | 2,890,000 |

*Question 2–C. How many acre-feet of water will be required to irrigate all of the lands that it is feasible to bring under cultivation in the Imperial and Coachella Valleys?*

Answer 2–C. Net ultimate acreage in Imperial irrigation district in the United States and Coachella Valley is given in Senate Document 142, page 48, as 785,000 acres, and, using the duty of water stated in that report, the total requirement would be 3,400,000 acre-feet.

*Question 2–D. What is the estimated cost of the All-American Canal and other works for the irrigation of these lands?*

Answer 2–D. Senate Document 142, page 86, gives estimated total cost of the All-American Canal and other works as $49,191,000.

*Question 3. What are the present, the probable, and the maximum possible number of acre-feet of water that may be used for irrigation from the Colorado River system in each of the four States of the upper division?*

Answer 3. The following table answers the question, the quantities being in acre-feet:

*Use of Colorado River, upper basin.*

| Upper basin. | Acreage irrigated, 1920. | Consumption of water. | New acreage. | Consumption of water. | Total acreage. | Total consumption of water. |
|---|---|---|---|---|---|---|
| Colorado | 740,000 | 1,184,000 | 1,018,000 | 1,527,000 | 1,758,000 | 2,711,000 |
| New Mexico | 34,000 | 54,400 | 483,000 | 724,500 | 517,000 | 778,900 |
| Utah | 359,000 | 574,400 | 456,000 | 684,000 | 815,000 | 1,258,400 |
| Wyoming | 367,000 | 587,200 | 543,000 | 814,500 | 910,000 | 1,401,700 |
| Total | 1,500,000 | 2,400,000 | 2,500,000 | 3,750,000 | 4,000,000 | 6,150,000 |

Of the above "new acreage" total of 2,500,000 acres, it is estimated in Senate Document 142, page 33, that a total of 1,008,000 acres will be irrigated in the upper basin in the near future.

*Question 4. If the maximum quantity of water is diverted for irrigation in the upper basin, how much of it will return to the river by seepage and drainage and be available for use at Lee Ferry?*

Answer 4. Above figures are based upon an average figure for "consumptive use"; that is, diversion minus return flow, and are believed to be large enough to include evaporation from local reservoirs which will be used for irrigation. They therefore represent the net reduction in the flow of the river to be anticipated under the assumed conditions.

*Question 5. After deducting the maximum quantity of water that may be diverted out of the upper basin and the maximum amount that may be consumed by irrigation and domestic uses, what is your estimate of the average annual run-off from the upper basin in acre-feet at Lee Ferry?*

Answer 5.—

| | | Acre-feet. |
|---|---|---|
| Mean discharge at Lee Ferry, 1903–1920 (assumed same as Laguna) | | 16,400,000 |
| Past depletion, upper basin, 1,094,000 acres (average) at 1.54 acre-feet per acre | | 1,700,000 |
| Reconstructed river at Lee Ferry | | 18,100,000 |
| Upper basin: | | |
| Maximum consumption | 6,150,000 | |
| Diversion out of basin | 444,000 | |
| | | 6,590,000 |
| Remaining flow at Lee Ferry | | 11,510,000 |

*Question 6. If the same maximum deductions are made from the quantitly of water in the Colorado River when that stream had the least recorded annual flow, how many acre-feet would remain for use in the lower basin?*

Answer 6. The above maximum deductions could not be made when the Colorado had its least recorded annual flow because sufficient water would not be available in the tributaries for maximum diversion. Assuming that the consumptive use would be reduced 25 per cent during this shortest year, and taking the flow at Lee Ferry, the same as that at Laguna, as given on page 5 of Senate Document 142, we have—

| | Acre-feet. |
|---|---|
| Discharge at Lee Ferry, 1902 | 9,110,000 |
| Depletion, 1902 (665,000 acres at 1.54), by 75 per cent | 770,000 |
| Reconstructed river at Lee Ferry, 1902 | 9,880,000 |
| Maximum consumption, upper basin, 1902 (75 per cent of 6,590,000) | 4,940,000 |
| Available at Lee Ferry, 1902 | 4,940,000 |

This indicates that under the compact the flow of the lowest year would be available in approximately equal portions for the use of each basin.

*Question 7. If a reservoir of 30,000,000 acre-feet capacity had been in existence at that time, how much water would have been carried over from previous years to aid in meeting any deficiency?*

Answer 7. Plate XII–A, Senate Document 142, page 30, shows that starting in 1899 with a 26,400,000 acre-foot reservoir half full, the reservoir would have filled in 1900 and again in 1901, and the full demands for irrigating 1,500,000 acres below could have been met not only through 1902 but through the succeeding low years of 1903 and 1904. In addition, sufficient water would have been available for discharge through the months of low irrigation demand to maintain a year around output of 700,000 horsepower.

*Question 8. How many acres are now being irrigated; what additional areas can be irrigated from the main Colorado River, and what is the estimated cost of the reclamation of the lands in Arizona within the projects that have been investigated by the Reclamation Service up to the present time?*

Answer 8. Senate Document No. 142, gives the following figures for lands irrigated in Arizona, 1920, from the main stream of the Colorado:

*Irrigated 1920, Arizona.*

| Main stream: | Acres. |
|---|---|
| Parker project | 4,000 |
| Yuma project | 46,000 |
| Total, 1920 | 50,000 |

*Additional irrigable, Arizona.*

| Main stream: | Acres. |
|---|---|
| Cottonwood Island | 2,000 |
| Parker project | 106,000 |
| Mojave Valley | 26,000 |
| Yuma project | 75,000 |
| Cibola Valley | 16,000 |
| Isolated tracts | 4,000 |
| Total additional | 229,000 |

Cost data for most of the above projects are not available in sufficient detail to be of value. An engineer of the Indian Service estimated in 1920 a cost of $78 per acre for the Parker project, exclusive of storage, flood control, and power (S. Doc. No. 142, p. 55). Gravity lands on the Yuma project are subject to a construction charge of $75 per acre.

*Question 9. I would like to have the same information as to the projects in California on the Colorado River above the Laguna Dam.*

Answer 9. Senate Document No. 142 gives the following figures:

| | Irrigated, 1920. | New acreage. | Total. |
|---|---|---|---|
| | *Acres.* | *Acres.* | *Acres.* |
| Mojave Valley | | 1,000 | 1,000 |
| Chemehuevis Valley | | 2,300 | 2,300 |
| Palo Verde Valley | 35,000 | 43,000 | 78,000 |
| Palo Verde Mesa and Chuckawalla Valley | | 62,000 | 62,000 |
| Total | 35,000 | 108,300 | 143,300 |

*Question 10. Is it true that, if the Colorado River compact is adopted, all of the water that Arizona will ever get out of the main river will be enough to irrigate only 280,000 acres of land, of which 130,000 acres are now embraced in the Yuma project and 110,000 acres in the Parker project?*

Answer 10. The Colorado River compact does not attempt to divide the water of the river between individual States. Except for rights already initiated by California and Nevada, there is nothing in the compact that will prevent the State of Arizona from taking from the river all the water that it can put to beneficial use. Rights already initiated will have to be respected in any event, and future development under the compact will be undertaken only in competition with the two States named, and with the cooperation instead of against possible opposition of the States of the upper basin. The

present and prospective use of water in the lower basin is estimated, as follows:

*Use of Colorado River, lower basin.*

| Lower basin. | Acreage irrigated, 1920. | Consumption of water, acre-feet. | New acreage. | Consumption of water, acre-feet. | Total acreage. | Tota consumption of water, acre-feet. |
|---|---|---|---|---|---|---|
| Arizona | 58,000 | 290,000 | 229,000 | 860,000 | 287,000 | 1,150,000 |
| California | 450,000 | 2,250,000 | 490,000 | 1,540,000 | 940,000 | 3,790,000 |
| Nevada | 5,000 | 20,000 | 35,000 | 140,000 | 40,000 | 160,000 |
| Total, Main River | 513,000 | 2,560,000 | 754,000 | 2,540,000 | 1,267,000 | 5,100,000 |

From this the surplus available for any further development that may be found feasible may be deduced as follows:

| | Acre-feet. |
|---|---|
| Mean annual flow at Lee Ferry after deducting all future uses in the upper basin (see question 5) | 11,510,000 |
| Total visible demands | 5,100,000 |
| Surplus | 6,410,000 |

This would irrigate nearly 2,000,000 acres of land in addition to the acreage figured above, and since water must flow downhill, and since a reservoir at Boulder Canyon of the size proposed will completely control the stream at that point, it only remains to find the land to which this water can be profitably applied.

*Question 11. What information have you with respect to the Arizona High Line Canal plan?*

Answer 11. We have asked our field engineers for report on Arizona High Line Canal, which has just been received as follows:

"The Arizona High Line Canal as outlined more recently contemplates—

"A storage reservoir at or near Glen Canyon. Its capacity has not been stated in definite terms.

"A second dam at Boulder Canyon to be built to elevation 1,350 feet, or 1,375 feet, or a dam at the lower end of the Grand Canyon of a less height that will raise the water to the same elevation.

"A tunnel from the Detrital Sacramento Wash through the Black Mountains some 15 or 20 miles in length which would come out on the western side of the Black Mountains in the general region of Eldorado Ferry, water to be delivered at the end of the tunnel at an elevation not less than 1,325 feet.

"A large canal, extending southward and generally parallel with the Colorado River, following along the west side of the Black Range, the greater portion of which would be in tunnel from a point back of Eldorado Ferry to Mount Davis. These tunnels may aggregate another 15 miles or more; thence an open canal crossing a detrital wash country with many deep washes southward along the Blue Ridge and Black Mountains, crossing Sacramento Wash and the main line of the Santa Fe Railroad a few miles from Franconia; thence south and southwesterly toward the Colorado River, where it would pass around the west face of the Chemehuevi Mountains and the Williams Mountains; thence easterly along the north side of the Williams River to a crossing on the Williams River. Through this region there would be more or less tunnel work.

"A crossing of the Williams River either by a high dam in that stream where the river is confined in a box canyon, through the Rawhide Mountains, or by a high aqueduct or a large siphon. Some surveys are being conducted at the present time by the Arizona Engineering Commission to ascertain data on this crossing. The canal would then run westerly along the south side of the Williams River through the Buckskin Mountains, tunneling through the Osborne Pass; thence in a general southerly direction through the Cactus Plain to the general region of Bouse.

"The first tracts of tillable land of any consequence encountered would be that lying within what is commonly called the Bouse Valley. The proposed canal line would probably cross the Phoenix branch of the Santa Fe Railroad between Bouse and Vicksburg. What the irrigable area of these valleys amounts to is as yet an undetermined quantity.

"The main canal would continue in a southeasterly direction, passing to the south of the Little Harqua Hala Mountains through a pass that has been estimated to be from 16 to 25 miles in length. This part of the construction would be a deep cut, the depth of the cut depending upon the elevation at which a canal would reach that point. Before reaching this cut the canal would bifurcate, some of the water being taken south and southwesterly to irrigate other possible areas. It is planned that the water would finally reach Centennial Wash. The south and southwesterly branch would pass between the S. H. Mountains and the Little Horn Mountains to the Palomas Plain, from which point it would be on the Gila watershed and would be conveyed to other lands on the Gila.

"These several branches would bifurcate, carrying water to different valleys, some of which contemplate considerable pumping lifts. The acreage under this possible system is impossible to state, as up to the present time it is nothing more than the roughest kind of a guess, and one upon which no figures can be given. There are not sufficient data at hand to make an estimate as to the cost of constructing such a large canal. The Arizona engineering commission is at the present time trying to ascertain the elevation of certain controlling points, and it is hoped that in the near future the commission will be able to give some idea as to the practicability or impracticability of conducting any further investigations as to the merits or demerits of such a scheme."

*Question 12. It has been said that the Arizona High Line Canal project is just as feasible as the Columbia River Basin gravity project recently approved by Gen. George W. Goethals. Please compare the main features of these two projects.*

Answer 12. As far as this office is advised no surveys or detailed estimates are available from which any statement of the construction quantities or costs involved in the main features of the Arizona High Line Canal can be even approximated. No comparison is therefore now possible.

*Question 13. In his report on the Columbia River Basin project, General Goethals discusses a pumping plan which contemplates building a dam 285 feet high across the Columbia River near the head of the Grand Coulee and using the energy thus stored to operate 17 pumps, each with a capacity of 1,000 second-feet, which will raise the water 450 feet to an artificial lake, whence the water flows by gravity to the basin area, where 1,403,000 acres may be irrigated. The total estimated cost of this pumping project is $241,487,285, or $172 per acre, and the annual operating cost is estimated at $1.56 per acre.*

*It has occurred to me that, as an alternative to the upper and more expensive part of the Arizona High Line Canal plan, consideration might be given to a pumping project, the essential features of which would be as follows:*

*A. Utilize the power site about 5 miles above Parker, for which application has been made by Beckman and Linden, by constructing a dam about 75 feet high for the generation of hydroelectric energy. If this dam will not provide enough power, after the flow of the Colorado River is regulated, then supplement the same by power developed in the Grand Canyon.*

*B. Raise the water about 900 feet by pumping from the Colorado River through a conduit or conduits about 15 miles long up the Osborne Wash to the level of the proposed Arizona High Line Canal, from whence it would flow by gravity as proposed in the original scheme.*

*I shall be pleased to receive your comments on this idea.*

Answer 13. As to this, our field engineers report as follows:

"This plan appears infeasible, but as a possibility the Arizona Engineering Commission has considered and is considering the possibility of a diversion at this point to divert water for the lands lying along the Colorado River south of the dam site spoken of above, with the possibility of pumping water therefrom to moderate lifts. From this dam site south to a point about opposite Lighthouse Rock, the topography is such that a canal might be constructed. At or near Lighthouse Rock it might be possible to raise water in the distant future some 100 or 150 feet, passing through the Trigo and Chocolate Mountains, reaching the plain lying east of Castle Dome at an elevation that certain lands lying on the lower Gila might be served. The acreage and the difficulties encountered in this are not definitely known and the whole proposition only stands out as a remote possibility of the development of lands on the extreme lower Gila."

*Question 14. While I fully realize that the Colorado River compact makes no reference to the location of storage reservoirs on that stream, yet the subject is of great interest to the people of Arizona. I shall, therefore, appreciate it if you will make a brief comparison of the Bulls Head, Black Canyon, Boulder Canyon, Diamond Creek, and Glen Canyon dam sites.*

*Question 15. For the same reason, I would like to have a summary of the available information relative to the Sentinel, San Carlos, and Solomonville dam sites on the Gila, and the Horseshoe and Camp Verde dam sites on the Verde River.*

Answers 14 and 15. The following table gives the data available in this office relative to these dam sites.

| Name. | Storage capacity (acre-feet). | Estimated cost.[1] | Height of dam (feet).[2] | Width at base (feet). | Depth to bedrock (feet). | Character of rock in walls. | Horsepower developed. |
|---|---|---|---|---|---|---|---|
| San Carlos | 1,600,000 | $9,792,763 | 249 | 222 | 20 | Quartzite or quartzitic sandstone. | 6,500 |
| Horseshoe | 233,000 | 1,909,000 | 166 | 200 | 30 | | [3] 20,000 |
| Camp Verde | 421,000 | 1,701,800 | 210 | | 25 | Sandstone | |
| Solomonville-Guthrie | 225,880 | | 140 | | | | |
| Sentinel | 2,200,000 | 4,250,000 | 130 | | [4] | Basalt | |
| Bulls Head | 2,000,000 | | 155 | | | Granite | [5] 341,000 |
| Boulder Canyon | 31,400,000 | 55,000,000 | 594 | 665 | 140 | do | 700,000 |
| | 26,500,000 | 50,000,000 | 558 | | | | 600,000 |
| Black Canyon | 31,400,000 | | 590 | | [6] 123 | Volcanic breccia; latite, and andesite. | 700,000 |
| | 26,500,000 | | 555 | | | | 600,000 |
| Diamond Creek: | | | | | | | |
| Ultimate | 1,250,000 | | 420 | | 45 | Granite | 935,000 |
| Present | 340,000 | 12,000,000 | 255 | 380 | 45 | | 200,000 |
| Glen Canyon | 18,000,000 | | 500 | | | Sandstone | 500,000 |

[1] Costs based on preliminary estimates and incomplete information; subject to revision in all cases.
[2] Above low-water level or stream bed.
[3] Developed at drop 20 miles below dam.
[4] Foundation is lava or cemented gravel underlaid by sand and silt to a depth of at least 200 feet.
[5] Assuming equated flow.
[6] Drilling not completed.

NOTE.—Average annual net evaporation loss measured at Roosevelt is 60 inches, and this figure has been the basis of evaporation estimates for most of the reservoir studies in this region.

*Question 16. It has been said that the Colorado floods have never initiated any serious damage to the Yuma project or the Imperial Valley but that the Gila River constitutes the principal menace; that the only method of curbing the Gila is an adequate levee system, which can be constructed in 18 months at one-fifth the cost of the Boulder Canyon Dam. Will expensive levees have to be maintained on both sides of the Colorado River below Yuma after a large flood-control dam has been constructed on the main Colorado River?*

Answer 16. A dam at Boulder Canyon will control all the floods on the main river capable of doing any damage at Yuma except those from the Gila, and it is the only reservoir site on the river of sufficient capacity which is below the sources of all these floods. Until the Gila floods are otherwise controlled it will be necessary to maintain levees to prevent damage from the floods on this stream. As is well known, however, floods from the Gila are of flashy character, and while they may be of sufficient magnitude to inflict some damage, they will subside as quickly as they arise and the days and weeks of night-and-day struggle with the river during each recurring Colorado flood will be a thing of the past. Even if a Gila flood should be experienced of sufficient magnitude to break into the Imperial Valley, its quick subsidence would leave the breach practically dry for repair if the water from the main river could be cut off or regulated at Boulder Canyon.

The annually recurring menace to Yuma and the Imperial Valley against which they are without defense at present is that a Gila flood may come down on top of an early Colorado rise or that breaches made by Gila floods may open the way for the summer floods of the Colorado to break into Imperial Valley. The breaks of 1905–6 and the flood of January, 1916, illustrate the possibilities of such a combination.

*Question 17. It has been said that if the depth to bedrock for the foundation of the proposed dam at Black Canyon is found to be over 100 feet, as it is reported to be at Boulder Canyon, that it might be more economical to build the Glen Canyon Dam first so as to have the benefit of the regulated flow from the upper reservoir during the construction of the deep and difficult foundations either at Black or Boulder Canyons. What are the results thus far obtained in prospecting for bedrock at these dam sites?*

Answer 17. The maximum depth to bedrock at Boulder Canyon Dam site is about 140 feet below low water. Foundation and walls are of granite of excellent quality for a dam foundation. At site of the upstream cofferdam a line of drill holes shows a maximum depth of only 36 feet to bedrock. It is not considered advisable, however, to move the dam itself upstream to this point, as both the condition and the topography of the side walls at this point are much less favorable than at the site under consideration.

The greatest depth to bedrock found so far at Black Canyon is 123 feet. Sufficient borings have not yet been made to develop this site completely, and work is still in progress.

The foundation and walls at Black Canyon are described as a hard volcanic breccia, overlaid by flows of latite and andesite. This formation as exposed in the canyon walls is entirely suitable for the construction of a high masonry dam, and unless future borings disclose unexpectedly inferior material in the foundation or excessive depth to bedrock, the site should be entirely satisfactory for the construction of a high masonry dam.

The rock in the abutments at the Glen Canyon site is a soft reddish sandstone, unsuitable for building stone or for either coarse or fine concrete aggregate, but probably of sufficient strength to support a concrete dam. Foundation conditions have not been fully tested, the single drill hole then being sunk having on December 15, 1922, reached a depth of 60 feet in the fine sand and silt of the river bed, without having reached bedrock. This drill work is being done by the Southern California Edison Co., and we have no later information as to the progress of this drilling.

As to the economy of building Glen Canyon Dam before one at the Boulder or Black Canyon site, attention is called to the fact that Glen Canyon is too far from power markets now available to be of value for power production for many years. For any given capacity up to complete regulation of the stream the height of a dam above low water at Glen Canyon must be greater than one at Boulder Canyon. Taking into consideration the greater distance from sources of supplies and labor, and other unfavorable conditions, a dam at Glen Canyon can not cost less than a dam of equal capacity at Boulder Canyon, and will produce absolutely no direct financial return for many years.

The amount estimated for river control and diversion during construction at Boulder Canyon is $3,500,000. If the Glen Canyon dam cost $50,000,000, as estimated for Boulder Canyon in the table, one year's interest at 6 per cent would practically absorb the savings on the Boulder Canyon dam, and even assuming for the sake of argument that it would cost only $25,000,000, the saving would be swallowed up in two years. Under most favorable conditions power returns could not be realized in any considerable amount at Boulder Canyon in less time than that.

*Question 18. The Interior Department appropriation act for the next fiscal year contains an item making $100,000 immediately available for further engineering investigations on the Colorado River by the United States Reclamation Service. Is it your intention to expend any part of this sum in ascertaining the depth to bedrock and in obtaining other information relative to the Glen Canyon dam site?*

Answer 18. It had been our intention to undertake the drilling of the Glen Canyon site and push it to a conclusion next winter, beginning as soon as the subsidence of the summer floods would permit. If, however, the work of the Southern California Edison Co., now under way at this site, results in satisfactory development of foundation conditions, it will not be necessary for the Reclamation Service to put in a drill outfit there.

*Question 19. Any further comment that you may care to make relative to the approval of the Colorado River compact by the Arizona State Legislature will be appreciated.*

Answer 19. The Colorado River compact provides that the lower basin shall be guaranteed an average of 7,500,000 acre-feet of water annually from the upper basin and all of the yield of the lower basin, and that any water not beneficially used for agricultural and domestic uses shall likewise be allowed to run down for use below. This provides for all known uses of water in the lower basin and a very large surplus for such

uses as may develop in the future. The greatest merit of the compact from the standpoint of Arizona is that it changes the attitude of the upper States from one of antagonism to one of friendship and advocacy of storage in the lower basin. If this fair offer is now rejected, the opposition of the upper basin to storage for the benefit of the lower basin will have stronger moral ground than ever, and the attitude of antagonism will be accentuated. This would accord with the wishes of those who are opposed to the development of the river and are opposing the compact. Arizona would thereby be placed in a position of preferring contention to development and her interests would suffer accordingly.

REPLIES MADE BY MR. OTTAMAR HAMELE.

Mr. Ottamar Hamele, for a number of years chief counsel of the United States Reclamation Service, acted as Mr. Hoover's legal advisor during the sessions of the Colorado River Commission last November at Santa Fe. I therefore considered him to be the best equipped to give a legal interpretation of the meaning of the compact. His replies to my questions will, I trust, clear up a number of misconceptions about it which are not founded on good law or sound reasoning.

DEPARTMENT OF THE INTERIOR,
UNITED STATES RECLAMATION SERVICE,
*Washington, D. C., January 29, 1923.*

HON. CARL HAYDEN,
*House of Representatives.*

DEAR HAYDEN: I have received the nine questions prepared by you concerning the Colorado River compact and take pleasure in answering them below in the order given:

*Question 1. It has been said that the Colorado River compact is based upon the fallacious theory that the seven States named therein are jointly invested with the absolute ownership of that stream, and all rights arising out of or pertaining thereto, and consequently these States have power to divide its waters among themselves; but that as a matter of fact and law any right in and to the waters of the Colorado River can only be acquired by appropriation for a beneficial use, which right may be exercised solely by private citizens and not by any State, and therefore the proposed apportionment of the flow of the stream among the States of the upper and lower divisions can not be enforced because the Federal courts would grant relief to any citizen of the United States injured thereby who has a vested right in the stream, even though such right was initiated and acquired after the approval of the compact by the legislatures of the seven States and by the Congress. What is your answer to this contention?*

Answer 1. When the terms of the Colorado River compact shall have been properly and fully approved by a State, they will be a part of the law of that State relating to the use of water, and in so far as they conflict with prior law they will operate as a repeal. Rights vested before such approval of the compact would not be affected by its terms, while rights vested after such approval would be subject to these terms, as is true generally of other State legislation. Every arid State has adopted rules under which the citizen obtains a right to the use of water; to limit future appropriations to the allocated waters of the compact is merely an additional rule.

*Question 2. It has been suggested that no such compact between the seven States is necessary as an antecedent to the construction by the Federal Government of reservoirs on the lower Colorado, because Congress, acting for the United States as the owner of the dam and reservoir sites, could provide at the time when funds are made available that the building of such dams for power and irrigation purposes shall not be considered as creating any rights to the use of the waters of the Colorado River which might be adverse to subsequent appropriators in the upper basin. Has Congress now the power to thus limit or modify the right to the use of water from such reservoirs?*

Answer 2. There is a diversity of opinion on this point. In the Wyoming-Colorado case the United States took the position that the National Government is the owner of the use of the unappropriated waters of the arid West, and that the States have never acquired any rights therein. However, the court, in deciding the case, did not pass on this claim and the question remains an open one. Under the theory advanced by the Government in that case, the United States apparently would have the right by legislation to place the limitations you mention on the water rights acquired in connection with Government dams and reservoirs.

If, however, it be contended that under existing law the State of Arizona, for instance, has a right as a sovereign to the use of the waters of the Colorado River under the doctrine of prior appropriation without reference to State lines, and that appropriations by the Federal Government in that State must follow State law, it would seem that an act of Congress could not substitute for Government reservoirs in Arizona a new rule of appropriaion not in agreement with the law of Arizona.

*Question 3. The regulation of the flow of the Colorado River by the construction of large reservoirs would undoubtedly result in making available an increased supply of water at all seasons of the year, and the fear has been expressed that this water might be promptly utilized for the irrigation of large tracts of land in Mexico. Would the prior appropriation of this water to a beneficial use in Mexico create any right which the American Government would be bound to respect in case of a conflict of interests arising out of the subsequent development of irrigation projects within the United States whereby these Mexican lands would be deprived of water?*

Answer 3. It would not. The rule of international law applicable to such a case was stated by Attorney General Judson Harmon in an opinion dated December 12, 1895 (21 Op. Atty. Gen. 274), concerning the Rio Grande. The following is taken from the syllabus of the reported opinion of the Attorney General:

"The rules, principles, and precedents of international law impose no duty or obligation upon the United States of denying to its inhabitants the use of the water of that part of the Rio Grande lying entirely within the United States, although such use results in reducing the volume of water in the river below the point where it ceases to be entirely within the United States.

"The fact that there is not enough water in the Rio Grande for the use of the inhabitants of both countries for irrigation purposes does not give Mexico the right to subject the United States to the burden of arresting its development and denying to its inhabitants the use of a provision which nature has supplied, entirely within its own territory. The recognition of such a right is entirely inconsistent with the sovereignty of the United States over its national domain."

*Question 4. Would a declaration by Congress or by the legislatures of any of the seven States, made at the time of the approval of the Colorado River compact, of an intention ultimately to use all of the water necessary for the irrigation of any lands which may thereafter be reclaimed within the United States, or within any such States, regardless of any irrigation development that may subsequently take place in Mexico, be effective in preserving the right to use such water in the future?*

Answer 4. Such a declaration by a State would be of no force, as the subject matter is one over which the State has no control. Such a declaration by the Congress would suggest a national policy, but would not prevent the making of a treaty having a contrary effect.

*Question 5. It has been urged that the State of Arizona should be guaranteed forever the right to the entire and undiminished flow of the Colorado River as it now comes, and for ages past has come, to the north boundary line of that State. Upon what legal theory can the demand for such a right be based, and, in the absence of any guarantee or acknowledgment of its validity by the States of the upper division, how can the State of Arizona now successfully maintain and enforce such a claim?*

Answer 5. The proposition you describe seems to be based on the common-law doctrine of riparian rights, which, however, does not obtain in the Colorado River Basin. Such a demand on the part of Arizona could not well be maintained. Other States could make the claim with equal force, to the detriment of Arizona. It would be contrary to the rule of prior appropriation which is the foundation of the present water law of Arizona and of the other States of the arid West. Also, it would be contrary to the decision of the United States Supreme Court in the Wyoming-Colorado case.

*Question 6. What is the legal meaning of the term "any period of 10 consecutive years reckoned in continuing progressive series" as used in paragraph (d) of Article III of the Colorado River compact? What means could any State of the lower division use to compel the delivery of 75,000,000 acre-feet of water during such a period? Would it be necessary to wait until the end of some 10-year period before invoking the remedy?*

Answer 6. The time referred to as "any period of 10 consecutive years reckoned in continuing progressive series" means the period from October 1, 1923, to October 1, 1933, the period from October 1, 1924, to October 1, 1934, and so on. If paragraph (d) of article 3 were being violated, suit could be brought to enforce its provisions. The aggrieved party would not necessarily have to wait until October 1, 1933, before instituting suit, but of course could not bring such suit until it appeared as a fact

that the compact was being violated. This paragraph could be eliminated without disturbing the plan of the compact, and should always be read in connection with paragraphs (a) and (b) of the same article.

*Question 7. If the States of the upper division should withhold water in violation of paragraph (e) of Article III of the Colorado River compact, what means would any State of the lower division have to compel the actual delivery of all water which was not being reasonably applied to domestic and agricultural uses?*

Answer 7. The same means such State now has to enforce its interstate water claims, supplemented, however, with the advantage of having its legal rights much more clearly defined. The plan of the compact is to reduce causes of controversy to a minimum, first, by agreeing upon the respective legal rights, and, second, by developing between the States, under the provisions of Articles V and VI, a spirit of cooperation and better understanding.

*Question 8. In the case of Howell v. Johnson (89 Fed. 556), the court held that "being the owner of these (public) lands it (the United States) has power to sell or dispose of any estate therein or any part thereof. The natural unnavigable streams flowing over the public domain are a part thereof, and the National Government can sell or grant the same or the use of the water separate from the rest of the estate under such conditions as may to it seem proper." Congress has passed the desert land act approved March 3, 1877 (19 Stat. 377), which provides that the "sources of water supply upon the public lands and not navigable shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes." If Article IV of the compact be construed as a declaration that the Colorado River is a nonnavigable stream, could it be held that the effect of the approval of the compact by Congress would be to transfer the title to the unappropriated waters of the Colorado River from the United States to the seven States named therein, and also as a repeal of the provision of the desert land act which I have quoted?*

Answer 8. Secretary of the Interior Albert B. Fall, who is generally recognized as an authority on relations between this country and Mexico, on January 12, 1923, upon request, made a report on the Colorado River compact to the House Committee on Irrigation of Arid Lands. In that report he stated:

"The said paragraph (a), Article IV, of the compact would, in my opinion, be regarded as a violation of the rights of Mexico, and, to say the least, might be made the basis of a claim against the United States. I am clearly of the opinion that said paragraph should not be approved by the Congress of the United States."

However, should Congress consent to the paragraph in question, such consent would not, in my opinion, operate as a transfer to the States of any right the Government now has in the waters of the Colorado or as a repeal of any part of the desert land act. The compact was drafted with the understanding that it should neither affirm nor deny either the claims of the States or the claims of the United States upon this point. The United States has no interest adverse to any State, and the compact is thoroughly workable without settling therein the point you raise.

*Question 9. What is your interpretation of the meaning of Article VIII of the compact? Does the use of the term "such rights" imply that "present perfected rights" to the use of water in the lower basin would have to be satisfied from stored water after a storage capacity of 5,000,000 acre-feet has been provided? Whenever a reservoir of that size is available, must all future appropriations of water in the lower basin be based upon stored water and not upon the natural flow of the river?*

Answer 9. The purpose of Article VIII is largely psychological. It represents a compromise reached after much discussion. The compact would be complete were it eliminated. As I stated above, vested rights can not be affected by the compact. John Doe can execute a deed purporting to convey the house and lot belonging to his neighbor Richard Roe, but such deed is ineffective as a conveyance until signed by Richard Roe. So with rights from the Colorado River. It is planned that eight parties shall approve the Colorado River compact; such approvals can affect only the interests which those eight parties have, and can not cancel the vested rights of a ninth party not a party to the compact.

In my opinion, in so far as Article VIII can be construed as an attempt to change vested rights, it is ineffective. I believe these general statements answer your first two queries under this number. As to your third query, inasmuch as substantially all of the low water flow of the main Colorado has already been appropriated, "future appropriations" from that stream for the lower basin necessarily must depend largely upon storage. I would add that such appropriations would be based primarily not on storage but on the allocation of 8,500,000 acre-feet of water per annum under paragraphs (a) and (b) of Article VIII.

In conclusion, I would suggest that in considering the Colorado River compact two facts should be kept in mind. The first is that this compact represents a compromise of many conflicting claims, as must nearly always be true in any settlement of this kind, either in or out of court. However, this settlement was reached within a year, while the settlement in court in the Wyoming-Colorado case required about 11 years, and is very unsatisfactory, not to one alone, but to both of the States involved in that case. The second fact to keep in mind is that the compact is not intended to be a complete settlement of all possible water controversy in the Colorado River Basin, but is a big step in the right direction and as big a one as can apparently be made at this time.

Very truly yours,

OTTAMAR HAMELE,
*Chief Counsel.*

INFORMATION FURNISHED BY THE GEOLOGICAL SURVEY.

It has been well said that water is the essence of the compact. The United States Geological Survey has been engaged for many years in the work of measuring the flow of streams, and has the only reliable information on that subject. The following letter fully demonstrates that the water supply, if properly conserved, is ample for all purposes.

DEPARTMENT OF THE INTERIOR,
UNITED STATES GEOLOGICAL SURVEY,
*Washington, January 30, 1923.*

Hon. CARL HAYDEN,
*House of Representatives.*

MY DEAR MR. HAYDEN: In reply to your letters of January 4 and 11, and with reference to frequent personal interviews on the subject, I am sending you herewith answers to the questions propounded relative to the Colorado River.

Yours very cordially,

PHILIP S. SMITH,
*Acting Director.*

*Question 1. According to your records, what is the maximum, minimum, and average annual flow in acre-feet of the Colorado River between Yuma and Lee Ferry? I would also like to have the same information for all of the tributaries of the Colorado River in Arizona where you have a record of stream measurement.*

Answer 1. The summary of the principal records available for gauging stations on Colorado River and tributaries in the State of Arizona is shown by the attached blue-print sheets. The data given for each station are: The years or partial years of record, the maximum and minimum daily flow and dates of occurrence for each year, the average discharge for each complete year, and the total run-off for each year or partial year. The year used is the climatic or water year, beginning October 1 and ending September 30, unless otherwise noted.

The longest continuous record is that for Colorado River at Yuma, which begins with January, 1902. This record is collected by the United States Reclamation Service and furnished to the Geological Survey for publication. The point of measurement is below the mouth of the Gila, so the contribution of that stream is included in the record. The amounts diverted at Laguna Dam are not included in the record. The maximum year was 1908–9—run-off, 26,100,000 acre-feet; the minimum year was 1903–4—run-off, 9,870,000 acre-feet. The average annual run-off for 20 years is 17,450,000 acre-feet. It is of interest to note that the run-off during the year ending September 30, 1922, was about 1 per cent greater than the 20-year average.

The only records of flow of the Colorado River above Yuma are for one complete year at Lees Ferry, two complete years at Hardyville, and five complete years at Topock. The run-off at Lees Ferry for that year (1921–22) was 16,100,000 acre-feet. The average of the two years' records at Hardyville (1905–6, 1906–7) was 20,150,000 acre-feet. The records at Yuma show that the flow in these two years was 30 per cent greater than the 20-year average. The average run-off of five years at Topock (1917–1922) was 17,860,000 acre-feet. The records at Yuma show that the flow in the five years was 6 per cent less than the 20-year average. The run-off in 1921–22 at Topock was 6 per cent greater than the five-year average at Topock.

The records indicate that 1921–22 was approximately an average year of run-off. The inflow between Lees Ferry and Topock for that year, as shown by the records, was 2,900,000 acre-feet. There was an apparent loss of 1,400,000 acre-feet between Topock and Yuma, in addition to the total amount of

all inflow between the two points. This loss is partially accounted for by diversions for irrigation at Laguna Dam and other points above.

The available records for Little Colorado and Williams Rivers are too short to permit of reliable deductions as to the mean annual flow. The average annual contribution of these streams to the main Colorado has been estimated at 200,000 acre-feet for the Little Colorado and 75,000 acre-feet for Williams River.

Records have been obtained at several points on Gila River for periods of different length. The records for stations at Guthrie, Solomonville, San Carlos, and Kelvin have been assembled in the attached tabulation. Below the junction of the Salt there are records for one year near Sentinel and for three complete years in the vicinity of Dome. Records of several years' duration are available for Salt and Verde Rivers, and for periods of various length for San Francisco River, at Clifton; San Pedro River, near Fairbank; Santa Cruz River, at Tucson; Augua Fria River, near Glendale; and Hassayampa River, near Wagoner.

Inspection of the longer records for Colorado River at Yuma and those for Salt and Verde Rivers shows that during the past 20 years there were two periods or groups of years of high run-off. The first group contains the years 1905 to 1909, and the second group the years 1915 to 1917. It is evident, therefore, that figures representing average annual run-off at points on streams in Arizona, deduced from a record of only a few years in length, may be subject to considerable error.

*Question 2. What percentage of the total flow of the Colorado River originates above Lees Ferry, and how much below that point?*

Answer 2. Measurements of the flow of Colorado River at Lees Ferry have been made since July, 1921. The total run-off at that station for the water year ending September 30, 1922, was 16,100,000 acre-feet. For the same period the flow at Yuma was 17,600,000 acre-feet, and at Topock, 19,000,000 acre-feet. Therefore, for that year 91.5 per cent of the total flow as measured at Yuma and 84.2 per cent of that measured at Topock came from above Lees Ferry.

The mean annual flow at Yuma for the 20-year period 1903–1922 is 17,400,000 acre-feet. Therefore the water year ending September 30, 1922, was 200,000 acre-feet, or a little more than 1 per cent greater than the mean.

From the above it appears that between 85 and 90 per cent of the total flow of the Colorado River originates above Lees Ferry. Before the Lees Ferry records were available a study was made for the Colorado River Commission of records collected at gauging stations above Lees Ferry and the conclusion reached at that time—March, 1922—that about 91 per cent of the run-off at Yuma came from the States of Wyoming, Colorado, and Utah.

*Question 3. What part of the total flow of the Colorado comes from the Gila River?*

Answer 3. Records showing the flow of Gila River near the mouth are fragmentary. The Reclamation Service, however, has made an estimate of the total flow for the years 1903 to 1920, based on the available records and measurements of the Gila at or near Yuma. These estimates indicate an annual run-off of the Gila during 1903 to 1920 varying from less than 100,000 to 4,500,000 acre-feet, with a mean of about 1,100,000 acre-feet, which is about 6 per cent of the mean annual flow of the Colorado at Yuma.

*Question 4. What are the dates of some of the highest floods in the Colorado River at Yuma and the flow in second-feet at the peak?*

Answer 4. The maximum daily flow for each year during the period of record is shown on the attached sheets. The maximum recorded flow at Yuma was on January 22, 1916, when the mean flow for the day was 240,000 second-feet. It should be noted that this flood originated primarily from the Gila, as, during the winter, the main Colorado River is at low stage. The next highest flood occurred June 8, 1920, when the mean daily flow was 190,000 second-feet. This flood came from that part of the drainage area above the Gila. In general, winter floods at Yuma come from the Gila and summer floods from the Colorado River above the Gila.

*Question 5. What are some of the low-water dates of the Colorado River at Yuma and the minimum flow in second-feet?*

Answer 5. The minimum daily flow for each year of record is shown on the attached sheets. The minimum recorded flow at Yuma occurred January 16, 1919, when the mean flow was 1,800 second-feet.

*Question 6. During what periods has all of the flow of the Colorado been diverted into the Imperial Canal, leaving the river dry in Mexico below the intake?*

Answer 6. The Reclamation Service has obtained the following information from the Imperial irrigation district:

"In 1915, from September 20 to September 27, and again on October 2 and 3, all the water of the Colorado River was diverted into the Imperial Valley canal system, in spite of which an actual shortage, though not severe nor disastrous, existed there part of that time. In 1919 there was another shortage, the entire flow of the river during the period September 2 to September 14 being diverted into the canal system.

"During this period the mean flow was 3,325 second-feet, the usual diversion at this time of year being 5,000 second-feet. Under date of October 31, 1922, a report in this office shows that the entire flow of the river had again been diverted, the river having been dry below the heading since October 2 and the mean flow for the period October 2–31 was reported at 3,800 second-feet.

"This is the third time, so far as known, that the entire low-water flow of the river has been actually diverted into the valley, but at least one other year of record, 1902, had a minimum and mean flow for the month of September so low that the entire flow would not have satisfied the demands of the lands now under irrigation in Imperial Valley."

*Question 7. What are the dates of some of the highest floods of the Gila River at Yuma and the flow in second-feet at the peak?*

Answer 7. The Reclamation Service has recorded the following floods on Gila River of over 50,000 second-feet:

*Discharge of Gila at mouth.*

| Date. | Second-feet. |
|---|---|
| February, 1891 | 105,000 |
| February, 1905 | 82,000 |
| March, 1905 | 95,000 |
| November, 1905 | 95,000 |
| Feb. 3, 1915 | 80,000 |
| Jan. 22, 1916 | 200,000 |
| Jan. 31, 1916 | 141,000 |
| Nov. 30, 1919 | 72,600 |
| Feb. 25, 1920 | 95,000 |

*Question 8. During what part of the year is there usually no water flowing from the Gila into the Colorado River?*

Answer 8. The Reclamation Service has recorded the Gila as having been dry at its mouth during entire months, as follows:

| | Years. |
|---|---|
| May | 8 |
| June | 13 |
| July | 11 |
| August | 6 |
| September | 8 |
| October | 9 |
| November | 8 |
| December | 8 |

*Question 9. Have both the Gila and Colorado Rivers been in high flood at the same time?*

Answer 9. The records show no periods when both the Colorado and Gila Rivers were in high flood at the same time. During three Gila floods there were considerable flows in the Colorado above the Gila, as follows:

| Date. | Yuma Peak. | Colorado. | Gila. |
|---|---|---|---|
| March 20, 1905 | 111,000 | 16,000 | 95,000 |
| January 22, 1916 | 240,000 | 40,000 | 200,000 |
| April 20, 1917 | 70,000 | 30,000 | 40,000 |

*Question 10. When has the Colorado River broken into Imperial Valley, and when were these breaks in the levees closed?*

Answer 10. The Colorado has "broken into the Imperial Valley" from August, 1905, to November 4, 1906, and again from December 7, 1906, to February 10, 1907. (These dates have been obtained from papers by C. E. Grunsky, entitled "The lower Colorado River and the Salton Basin," published in Transactions of the American Society of Civil Engineers, vol. 59, pp. 1–50, and by H. T. Cory, entitled "Irrigation and river control in the Colorado River delta," published in Transactions of the American Society of Civil Engineers, vol. 76, pp. 1204–1571.)

*Question 11. How many acre-feet of water were poured into the Salton Sink by each of these floods?*

Answer 11. There is no exact record of the total flow of water to the Salton Sea during these breaks, but it is approximately the same as the total flow at Yuma for the same periods. The recorded run-off at Yuma during the first period was about 22,000,000 acre-feet and during the second period about 2,500,000 acre-feet.

*Question 12. How many acre-feet of silt are deposited in the Colorado River delta each year?*

Answer 12. The All-American Canal Board, in report published in 1920 (pp. 24–26), estimates the average quantity of silt carried in suspension annually at Yuma at 90,000 acre-feet and the bed load at 12,000 acre-feet, making a total load of silt of 102,000 acre-feet.

Engineers of the Reclamation Service estimate the average annual quantity of silt carried at Yuma at 113,000 acre-feet (S. Doc. No. 142, 67th Cong., 2d sess., p. 3).

*Question 13. What is the estimated number of acre-feet of silt carried by the Colorado River annually at Boulder Canyon and at Lee Ferry?*

Answer 13. The Reclamation Service has estimated (S. Doc. No. 142, 67th Cong., 2d sess.) that the amount of silt carried by Colorado River at Boulder Canyon averages about 88,000 acre-feet annually.

*Question 14. Do geologists generally agree that the Gulf of California once extended over the Imperial Valley and the Salton Sink?*

Answer 14. Geologists generally agree that the Gulf of California once extended over the Imperial Valley and Salton Sink.

*Question 15. Arrangements were made last June or July for an engineering commission consisting of Messrs. E. C. LaRue of the Geological Survey, Porter J. Preston of the Reclamation Service, and Homer E. Turner representing the Arizona State water commissioner, to make a reconnaissance of lands irrigable from the Colorado River in western Arizona. How far have the investigations of this commission proceeded, and what results have been obtained up to the present time?*

Answer 15. The Arizona engineering commission, consisting of E. C. LaRue, P. J. Preston, and H. E. Turner, is a State commission, for which Mr. LaRue has been lent by the Geological Survey and Mr. Preston by the Reclamation Service. The commission will make its report directly to State officials. There is therefore no report in Washington of findings of the commission to date, and none is expected until the State makes the report public.

*Summary of stream-flow records for gauging stations in Arizona.*

| Gauging station. | Number of complete years of records. | Annual run-off in acre-feet. | | |
|---|---|---|---|---|
| | | Maximum. | Minimum. | Average. |
| Colorado River at Lees Ferry | 1 | | | 16,100,000 |
| Colorado River at Hardyville | 2 | 21,500,000 | 18,800,000 | 20,150,000 |
| Colorado River at Topock | 5 | 21,500,000 | 12,900,000 | 17,860,000 |
| Colorado River at Yuma | 20 | 26,100,000 | 9,870,000 | 17,450,000 |
| Little Colorado River at Woodruff | 1 | | | 85,200 |
| Little Colorado River at Holbrook | 1 | | | 183,000 |
| Chevelon Fork near Winslow | 1 | | | 80,300 |
| Clear Creek near Winslow | | | | |
| Williams River near Swansea | 2 | 116,000 | 78,100 | 97,000 |
| Gila River at Guthrie | 5 | 733,000 | 102,000 | 331,000 |

*Summary of stream-flow records for gauging stations in Arizona*—Con.

| Gauging station. | Number of complete years of records. | Annual run-off in acre-feet. | | |
|---|---|---|---|---|
| | | Maximum. | Minimum. | Average. |
| San Francisco River at Clifton | 3 | 681,000 | 106,000 | 357,000 |
| Gila River near Solomonville | 4 | 1,560,000 | 124,000 | 900,000 |
| Gila River near San Carlos | 4 | 1,500,000 | 83,300 | 871,000 |
| Gila River near Kelvin | 8 | 2,950,000 | 152,000 | 862,000 |
| Gila River near Sentinel | 1 | | | 318,000 |
| Gila River at Yuma and Dome | 3 | 3,050,000 | 201,100 | 1,787,000 |
| San Pedro River at Fairbank | 9 | 148,000 | 20,300 | 66,200 |
| Santa Cruz River at Tucson | 6 | 80,200 | 1,820 | 25,900 |
| Salt River at Roosevelt | 14 | 2,749,000 | 196,700 | 1,010,000 |
| Salt River at McDowell | 9 | 3,101,000 | 248,400 | 1,142,000 |
| Verde River at Camp Verde | 5 | 524,000 | 174,000 | 321,000 |
| Verde River at McDowell | 17 | 1,569,000 | 198,200 | 571,000 |
| Agua Fria River near Glendale | 4 | 806,000 | 34,200 | 332,000 |
| Hassayampa River near Wagoner | 2 | 36,400 | 2,580 | 19,500 |

*Annual discharge of Colorado River at Lees Ferry, Hardyville, and Topock (years ending September 30).*

| Year. | Maximum day. | | Minimum day. | | Annual mean, sec.-ft. | Annual run-off, acre-feet. |
|---|---|---|---|---|---|---|
| | Sec.-ft. | Date. | Sec.-ft. | Date. | | |
| *Lees Ferry (July, 1921, to September, 1922).* | | | | | | |
| 1921 | 66,600 | Aug. 25 | 7,000 | Sept. 30 | | [1] 4,540,000 |
| 1921-22 | 110,000 | May 31 | 3,680 | Jan. 14 | 22,200 | 16,100,000 |
| *Hardyville (June, 1905, to September, 1907).* | | | | | | |
| 1905 | 99,800 | June 15 | 4,520 | Sept. 26 | | [1] 7,210,000 |
| 1905-6 | 116,000 | June 20 | 2,850 | Jan. 5 | 26,000 | 18,800,000 |
| 1906-7 | 112,000 | June 12 | 5,500 | Dec. 5 | 29,660 | 21,500,000 |
| *Topock (February, 1917, to September, 1922).* | | | | | | |
| 1917 | 140,000 | June 30 | 6,000 | Feb. 4 | | [1] 18,800,000 |
| 1917-18 | 92,000 | June 19 | | | 21,000 | 15,500,000 |
| 1918-19 | 77,300 | June 4 | 4,100 | Jan. 16 | 17,800 | 12,900,000 |
| 1919-20 | 155,000 | June 1 | 5,500 | Jan. 22 | 28,100 | 20,400,000 |
| 1920-21 | 174,000 | June 22 | 5,900 | Dec. 27 | 29,800 | 21,500,000 |
| 1921-22 | 121,000 | June 3 | 6,360 | Sept. 28 | 26,200 | 19,000,000 |

[1] Partial year.

*Annual discharge for the years ending September 30, 1902 to 1922.*

| Year. | Maximum day. | | Minimum day. | | Annual mean (second-feet). | Annual run-off (acre-feet). |
|---|---|---|---|---|---|---|
| | Second-feet. | Date. | Second-feet. | Date. | | |
| Colorado River at Yuma, Ariz.: | | | | | | |
| 1902 [1] | 59,200 | May 25 | 3,050 | Sept. 28 | | 7,110,000 |
| 1902-3 | 72,200 | June 27 | 2,690 | Jan. 12 | 15,200 | 11,100,000 |
| 1903-4 | 51,200 | June 7 | 3,170 | Dec. 26 | 13,600 | 9,870,000 |
| 1904-5 | [2] 110,800 | Mar. 20 | 3,480 | Dec. 27 | 26,200 | 18,900,000 |
| 1905-6 | [2] 102,700 | Nov. 30 | 4,260 | Jan. 19 | 26,500 | 19,200,000 |
| 1906-7 | 115,000 | June 27 | 6,800 | Dec. 30 | 35,800 | 26,000,000 |
| 1907-8 | 61,700 | June 26 | 5,600 | Jan. 20 | 18,700 | 13,600,000 |
| 1908-9 | 149,500 | June 24 | 5,800 | Jan. 12 | 36,000 | 26,100,000 |
| 1909-10 | 70,300 | May 24 | 4,100 | Dec. 31 | 20,600 | 15,000,000 |
| 1910-11 | 78,300 | June 24 | 3,700 | Jan. 10 | 22,400 | 16,200,000 |
| 1911-12 | 144,000 | June 22 | 3,400 | Jan. 12 | 26,900 | 19,600,000 |
| 1912-13 | 62,500 | June 10 | 2,600 | Jan. 20 | 16,600 | 12,000,000 |
| 1913-14 | 137,000 | June 14 | 3,300 | Jan. 7 | 27,400 | 19,900,000 |
| 1914-15 | [2] 98,500 | Feb. 3 | 2,700 | Sept. 20 | 21,800 | 15,800,000 |
| 1915-16 | [2] 240,000 | Jan. 22 | 3,500 | Oct. 2 | 29,600 | 21,500,000 |
| 1916-17 | 143,000 | July 4 | 5,100 | Dec. 26 | 30,500 | 22,100,000 |
| 1917-18 | 94,300 | July 3 | 4,100 | Sept. 13 | 18,000 | 13,100,000 |
| 1918-19 | 57,600 | June 6 | 1,800 | Jan. 16 | 14,200 | 10,300,000 |
| 1919-20 | 190,000 | June 8 | 3,700 | Oct. 10 | 30,100 | 21,900,000 |
| 1920-21 | 186,000 | June 28 | 5,100 | Dec. 27 | 26,600 | 19,300,000 |
| 1921-22 | 115,000 | June 10 | 4,200 | Jan. 31 | 24,400 | 17,600,000 |
| Period | 240,000 | | 1,800 | | 24,100 | 17,450,000 |
| Little Colorado River at Woodruff: | | | | | | |
| 1905 (August-December) | 10,000 | Nov. 27 | 5 | Aug. 20 | | 48,900 |
| 1906 (January-December) | 2,280 | Mar. 13 | 1 | Sept. 10-26 | 118 | 85,200 |
| Little Colorado River at Holbrook: | | | | | | |
| 1905 (April-September) | 2,080 | Apr. 26 | 5 | July 28 | | 91,500 |
| 1905-6 | 20,200 | Nov. 27 | 3 | June and July | 253 | 183,000 |
| 1906-7 (October-April) | 2,100 | Mar. 23 | 4 | Nov. 1-7 | | 91,400 |
| Chevelon Fork near Winslow: | | | | | | |
| 1906 (January-December) | 3,870 | Mar. 27 | 0.25 | September and November. | 110 | 80,300 |
| Clear Creek near Winslow: | | | | | | |
| 1906 (January-December) | 2,245 | Dec. 5 | 3 | Aug. 5 | | 22,300 |

[1] January to September.

[2] Flood from Gila River.

*Annual discharge for the years ending September 30, 1902 to 1922*—Continued.

| Year. | Maximum day. | | Minimum day. | | Annual mean (second-feet). | Annual run-off (acre-feet). |
|---|---|---|---|---|---|---|
| | Second-feet. | Date. | Second-feet. | Date. | | |
| Williams River at Planet, near Swansea: | | | | | | |
| 1913 (January–September) | | | | | | 26,400 |
| 1913–14 | | | | | 108 | 78,100 |
| 1914–15 | 8,100 | Jan. 30 | 14 | April to September | 160 | 116,000 |
| Gila River at Guthrie: | | | | | | |
| 1910–11 (November–September) | 3,260 | July 25 | 6 | May–June | | 133,000 |
| 1911–12 | | | 3 | July 16 | | [1] 149,000 |
| 1912–13 | 1,000 | Apr. 3 | 20 | July 11–14 | 141 | 102,000 |
| 1913–14 | 2,060 | July 20 | 22 | May 12–19 | 313 | 227,000 |
| 1914–15 | 15,000 | Dec. 20 | 30 | July 16 | 1,010 | 733,000 |
| 1915–16 | 6,310 | Jan. 20 | 36 | June and July | 464 | 336,000 |
| 1916–17 | 8,600 | Jan. 20–21 | 26 | July 19 | 358 | 259,000 |
| 1917–18 (October–June) | 246 | Mar. 7 | 24 | May 15 | | 39,100 |
| San Francisco River at Clifton: | | | | | | |
| 1913–14 | 1,280 | July 4 | 24 | June 28 | 146 | 106,000 |
| 1914–15 | 14,600 | Dec. 20 | 30 | June 29 | 939 | 681,000 |
| 1915–16 [2] | 2,850 | Mar. 23 | 40 | June–July | | [2] 205,000 |
| 1916–17 | | October | 2 | June 29 | 390 | 283,000 |
| 1917–18 (October–June) | 238 | Mar. 1 | 33 | June 15 | | 41,100 |
| Gila River near Solomonville: | | | | | | |
| 1914 (May–September) | 4,200 | Aug. 31 | 64 | June 29 | | 218,000 |
| 1914–15 | 31,000 | Dec. 20 | 80 | July 2 | 2,160 | 1,560,000 |
| 1915–16 | 73,600 | Jan. 19 | 110 | June 21–28 | 1,810 | 1,320,000 |
| 1916–17 | 46,000 | Oct. 14 | 89 | Sept. 6 | 825 | 598,000 |
| 1917–18 | 1,100 | July 1 | 75 | Sept. 30 | 171 | 124,000 |
| Gila River near San Carlos: | | | | | | |
| 1914 (May–September) | 3,220 | Aug. 31 | 1 | July 1 | | 167,000 |
| 1914–15 [3] | | December | | | 2,100 | 1,500,000 |
| 1915–16 [3] | | January | 12 | July 6 | 1,890 | 1,370,000 |
| 1916–17 | 33,500 | Oct. 15 | 14 | July 1 | 732 | 530,000 |
| 1917–18 | 1,540 | Aug. 7 | 3 | June 30 | 115 | 83,300 |
| Gila River near Kelvin: | | | | | | |
| 1911–12 | 32,900 | Mar. 12 | 3 | June 1–5 | 722 | 523,000 |
| 1912–13 | 3,450 | Feb. 27 | 0 | June–July | 250 | 181,000 |
| 1913–14 | 8,550 | Aug. 19 | 1 | June 15–19 | 612 | 443,000 |
| 1914–15 | 90,000 | Dec. 24 | 45 | July 17 | 4,080 | 2,950,000 |
| 1915–16 | 76,200 | Jan. 20 | 29 | July 7 | 1,840 | 1,330,000 |
| 1916–17 | 32,000 | Oct. 15 | 24 | June 30 | 801 | 581,000 |
| 1917–18 | 5,340 | Aug. 7 | 4 | July and September. | 210 | 152,000 |
| 1918–19 | 12,600 | July 16 | 9 | Oct. 19 | 1,020 | 736,000 |
| 1919–20 (October–April) | 9,190 | Dec. 5 | 131 | Nov. 2 | | 619,000 |
| Gila River, near Sentinel: | | | | | | |
| 1913–14 (October–September) | 19,000 | Feb. 23 | 0 | October and June | 440 | 318,000 |
| Gila River at Yuma and Dome: [4] | | | | | | |
| 1903 (January–September) | 2,000 | April | 0 | | | 47,500 |
| 1903–4 | 4,560 | Aug. 30 | 0 | Dry one or more months each year. | 278 | 201,100 |
| 1904–5 | 95,000 | Mar. 28 | 0 | | 4,260 | 3,050,000 |
| 1905–6 | 95,000 | Nov. 30 | 0 | | 2,930 | 2,110,000 |
| 1906 (October–December) | 29,000 | Dec. 7 | 0 | | | 332,000 |
| San Pedro River near Fairbank: | | | | | | |
| 1912–13 | 846 | August and September. | 1.7 | June and July | 32.8 | 23,700 |
| 1913–14 | 12,300 | Aug. 17 | 2 | Oct. 20 | 205 | 148,000 |
| 1914–15 [5] | | | 17 | May and August | | [5] 60,300 |
| 1915–16 | 1,760 | Aug. 16 | 2 | October and June | 47.2 | 34,200 |
| 1916–17 | 5,180 | July 24 | 2 | October and January. | 125 | 90,200 |
| 1917–18 | 920 | July 1 | 1 | June and September. | 28 | 20,300 |
| 1918–19 | | | | | 131 | 94,900 |
| 1919–20 | 2,290 | Aug. 11 | 2 | Sept. 4 | 63.3 | 46,100 |
| 1920–21 | 6,700 | July 30 | 1.5 | June 29 | 140 | 102,000 |
| 1921–22 | 1,900 | Aug. 10 | 1 | April and May | 50.4 | 36,500 |
| Santa Cruz River at Tucson: | | | | | | |
| 1912–13 | 60 | Aug. 7 | 0 | | 3.9 | 2,810 |
| 1913–14 | 200 | July | 0 | | 2.5 | 1,820 |
| 1914–15 | 8,510 | Dec. 24 | 0 | | 112 | 80,200 |
| 1915–16 | 4,000 | January | 0 | | 51.4 | 37,300 |
| 1916–17 | 2,710 | September | 0 | | 39.2 | 28,400 |
| 1917–18 | 1,490 | Aug. 8 | 0 | | 6.8 | 4,940 |
| Salt River at Roosevelt: | | | | | | |
| 1901 (January–September) | 4,172 | February | 71 | July 17 | | 446,100 |
| 1901–2 | 4,675 | Aug. 12 | 45 | July 14 | 272 | 196,700 |
| 1902–3 | 2,800 | Dec. 14 | 88 | July and August | 358 | 259,200 |
| 1903–4 | 14,700 | Aug. 22 | 50 | July 12 | 337 | 244,200 |
| 1904–5 | 45,470 | Apr. 13 | 146 | Oct. 5 | 3,800 | 2,749,000 |
| 1905–6 | 97,710 | Nov. 27 | 217 | Oct. 12 | 2,360 | 1,703,000 |
| 1906–7 | 36,600 | Dec. 3 | 255 | Oct. 25 | 1,760 | 1,275,000 |
| 1910 (January–September) | | | | | | 343,700 |
| 1910–11 | | | | | 1,100 | 798,200 |
| 1911–12 | | | | | 771 | 558,000 |
| 1912–13 | | | | | 560 | 405,000 |
| 1913–14 [6] | | | | | 738 | 534,400 |
| 1914–15 | | | | | 2,460 | 1,779,000 |
| 1915–16 | | | | | 3,330 | 2,413,000 |
| 1916–17 | | | | | 1,140 | 822,000 |
| 1917–18 | | | | | 555 | 402,100 |
| Average of 14 years | | | | | | 1,010,000 |
| Salt River at McDowell: | | | | | | |
| 1897 (May–September) | 2,010 | May | 83 | July | | 174,900 |
| 1897–98 | 1,275 | August | 137 | August | 466 | 337,500 |
| 1898–99 | 3,500 | do | 155 | October | 384 | 278,100 |
| 1903–4 | 13,700 | Aug. 23 | 38 | July 16 | 343 | 248,400 |
| 1904–5 | 60,600 | Apr. 13 | 154 | Oct. 5 | 4,280 | 3,101,000 |
| 1905–6 | 138,000 | Nov. 27 | 275 | Nov. 1 | 2,750 | 1,988,000 |
| 1906–7 | 38,000 | Dec. 4 | 278 | Oct. 24 | 1,986 | 1,432,000 |

[1] High-water periods in March and July not included.
[2] Dec. 11, 1915, to Mar. 8, 1916, not included.
[3] Discharge estimated for several months. Maximum daily discharge not determined for floods of December, 1914, and January, 1916.
[4] Near Yuma during 1903. Near Dome during 1904 to 1906.
[5] No record during floods of December and January.
[6] Beginning October, 1913, records are sum of records for Salt River above reservoir and Tonto Creek.

*Annual discharge for the years ending September 30, 1902 to 1922*—Continued.

| Year. | Maximum day. | | Minimum day. | | Annual mean (second-feet). | Annual run-off (acre-feet). |
|---|---|---|---|---|---|---|
| | Second-feet. | Date. | Second-feet. | Date. | | |
| Salt River at McDowell—Continued. | | | | | | |
| 1907–8 | 30,900 | Feb. 4 | 214 | July 9 | 1,520 | 1,103,000 |
| 1908–9 | 35,000 | Dec. 17 | 50 | Jan. 11–17 | 1,800 | 1,304,000 |
| 1909–10 | | | | | 671 | 486,000 |
| Average 9 years | | | | | | 1,142,000 |
| Verde River at Camp Verde: | | | | | | |
| 1913 (January-September) | 7,080 | Apr. 1 | 120 | May and June | | 254,000 |
| 1913–14 | 7,180 | Feb. 22 | 31 | June 28 | 265 | 191,000 |
| 1914–15 | 3,400 | Mar. 26 | 42 | July 15 | 535 | 388,000 |
| 1915–16 | | | 40 | Oct. 5 | 724 | 524,000 |
| 1916–17 | 7,650 | Apr. 23 | 95 | June 16 | 456 | 330,000 |
| 1917–18 | | | 38 | June 9 | 241 | 174,000 |
| Verde River at McDowell: | | | | | | |
| 1897 (May-September) | 5,000 | September | 90 | July | | 119,500 |
| 1897–98 | 1,890 | July | 115 | do | 327 | 236,500 |
| 1898–99 | 2,500 | September | 100 | August | 274 | 198,200 |
| 1901 (January-December) | 6,610 | January | 29 | July | 426 | 302,600 |
| 1903–4 | 6,030 | July 31 | 32 | July 20 | 382 | 276,600 |
| 1904–5 | 32,970 | Feb. 4 | 125 | July 12 | 2,170 | 1,569,000 |
| 1905–6 | 61,450 | Nov. 27 | 105 | July 4 | 1,250 | 901,800 |
| 1906–7 | 32,200 | Mar. 6 | 144 | July 20 | 1,190 | 859,700 |
| 1907–8 | 14,400 | Feb. 4 | 98 | July 7 | 628 | 455,000 |
| 1908–09 | 51,600 | Dec. 16 | 116 | June 29 | 1,050 | 763,500 |
| 1909–10 | | | | | 655 | 474,100 |
| 1910–11 | | | | | 917 | 664,500 |
| 1911–12 | | | | | 625 | 452,300 |
| 1912–13 | | | | | 515 | 373,000 |
| 1913–14 | 17,125 | Feb. 23 | 78 | July 1 | 545 | 394,000 |
| 1914–15 | 15,675 | Jan. 30 | 95 | July 20 | 960 | 705,000 |
| 1915–16 | 53,350 | Jan. 19 | 115 | July 10 | 1,290 | 933,000 |
| 1916–17 | 26,600 | Apr. 18 | 128 | July 5 | 1,240 | 893,000 |
| 1917–18 | 54,300 | Mar. 14 | 112 | June 13 | 773 | 559,000 |
| Average, 17 years | | | | | | 571,000 |
| Agua Fria River near Glendale: | | | | | | |
| 1914–15 | (1) | Jan. 29 | 2 | Oct. 25 | 345 | 250,000 |
| 1915–16 | (2) | Jan. 27 | 2 | Oct. 20 | 1,110 | 806,000 |
| 1916–17 | 22,800 | Apr. 18 | 5 | July 1 | 332 | 240,000 |
| 1917–18 | 1,500 | Aug. 10 | 2 | May to September. | 47 | 34,200 |
| Hassayampa River near Wagoner: | | | | | | |
| 1912–13 (December-September) | 235 | Sept. 4 | 0 | June | | 2,970 |
| 1913–14 | 108 | July 24 | 0 | May to September. | 3.6 | 2,580 |
| 1914–15 | 660 | July 23 | 0 | October | 50 | 36,400 |
| 1917–18 (October-May) | 500 | Mar. 8 | 1 | October | | 4,100 |

[1] Crest discharge on Jan. 29 estimated as 60,000 second-feet.

[2] Crest discharge on Jan. 27 estimated as 105,000 second-feet.

DATA FROM THE FEDERAL POWER COMMISSION.

In order to secure late information relating to all the applications for power sites on the Colorado River within the State of Arizona I made inquiry of the Federal Power Commission, and under date of January 2, 1923, received the following data from Col. William Kelly, the chief engineer:

No. 111. Southern California Edison Co., Los Angeles, Calif.:

Dam at Grand Wash just west of Nevada-Arizona line, backing water to Diamond Creek.

Dam at Diamond Creek, backing water to west boundary of Park.

Dam at Marble Canyon just above Park, developing head to Lee Ferry.

Dam at Glen Canyon, 500 feet high, backing water approximately to mouth of Green River.

Total development, 2,500,000 horsepower.

No. 258. Southern California Edison Co., Los Angeles, Calif.:

Dam at Bulls Head Rock near Fort Mohave, 220 feet high, creating backwater to Old Callville.

Dam at Old Callville, creating backwater to Grand Wash. Capacity of project, 900,000 horsepower.

No. 238. City of Los Angeles, Calif.: Dam at Black Canyon, 500 feet high, developing 600,000 horsepower.

No. 230. James B. Girand, Phoenix, Ariz.: Dam at mouth of Andrus Canyon, about 25 miles above Diamond Creek, developing 65,000 horsepower—alternate scheme to the one of Mr. Girand providing for raising the Diamond Creek Dam.

No. 231. James B. Girand, Phoenix, Ariz.: Dam at Pierce Ferry about 30 miles below Diamond Creek, to create backwater to Diamond Creek and develop about 65,000 horsepower.

No. 30. Beckman & Linden Engineering Corporation, 604 Mission Street, San Francisco, Calif.: Dam above Parker, Ariz., creating backwater to Needles, Calif., and developing 115,000 horsepower.

No. 59. E. I. Beyard, Seligman, Ariz.:

Series of dams from Boulder Canyon to Lee Ferry, developing all the power in the stream except the part within national park.

Applicant has made no showing of preparedness to develop any part of this extension scheme.

No. 265. Guy P. Mohler, box 561, Needles, Calif.:

Project to develop all the power in the Colorado River between Fort Mohave and Boulder Canyon.

Applicant has made no showing of financial ability to carry out his proposed undertaking.

All of the above projects have been advertised in accordance with the provisions of the Federal water power act, but action upon them has been suspended pending the investigations and report of the Colorado River Commission.

No. 121. James B. Girand, Phoenix, Ariz.: Dam at Diamond Creek, 270 feet high, with provision to raise the same to 400 feet, developing 139,000 primary horsepower and with installed capacity of 200,000 horsepower.

A preliminary permit was granted to the Interior Department and by the Forest Service about 1917. An application for a final permit was pending when the Federal water power act was passed, and in accordance with the provisions of section 23 of the act the application was transferred to this commission. The application as prepared did not comply with the regulations of this commission because of the fact that the new act contained many provisions not set forth in the previous act, under which a preliminary permit had been granted. Accordingly this commission gave Mr. Girand a preliminary permit on July 19, 1921, so as to maintain his priority. Pursuant to this preliminary permit, a new application for a license was filed in March, 1922, which was satisfactory from an engineering point of view; but in view of the fact that the Colorado River Commission had been created, and in view of the Swing-Johnson bill providing for the construction of a large dam at Boulder or Black Canyon by the Federal Government, action on Mr. Girand's application was temporarily suspended. Mr. Girand's permit was to have expired July 18, 1922, but it was extended to October 19, 1922, and again extended to March 19, 1923.

APPROVAL OF COMPACT BY CONGRESS.

On December 18, 1922, Hon. FRANK W. MONDELL introduced a bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact, a copy of which I shall print as an extension of my remarks. Nothing will be done with that measure until the compact is approved by the

legislatures of all of the seven interested States, because Congress can not be expected to act in advance of such an agreement. The bill was referred by the chairman of the Committee on Irrigation of Arid Lands to the State and Interior Departments and to the Federal Power Commission. The following reports have been received:

DEPARTMENT OF STATE,
*Washington, December 30, 1922.*

Hon. ADDISON T. SMITH,
*House of Representatives.*

SIR: I have the honor to acknowledge the receipt of your letter of December 21, 1922, transmitting a copy of the bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact, and requesting me to furnish your committee such information and suggestions as may be proper regarding the proposed legislation.

The compact does not pertain to matters coming within the jurisdiction of this department, except in so far as the control and use of the waters of the Colorado River system may possibly affect the international relations of the Government. The fact that the Colorado River has international aspects and the possibility that questions of an international character concerning the use of the waters may arise, necessitating action by the Federal Government with respect to the distribution of the waters, appears to be recognized and adequately provided for by Article III (c) of the compact.

I may, however, call attention to what appears to be a slight inaccuracy in lines 11 to 14, page 2, of the bill, in which it is stated that the compact was signed by representative commissioners of the States mentioned "and the representative appointed by the President." I think it would be more accurate to state that the compact was signed by the representative commissioners and "approved by the representative appointed by the President." The second paragraph of Article XI, as well as the signatures to the compact (page 11 of the bill) indicate that only the States in question are to be considered signatories.

I have the honor to be, sir,
Your obedient servant,

CHARLES E. HUGHES.

—

DEPARTMENT OF THE INTERIOR,
*Washington.*

Hon. ADDISON T. SMITH,
*Chairman Committee on Irrigation, House of Representatives.*

MY DEAR MR. SMITH: Answering your request for report upon H. R. 13480, a bill granting the consent and approval of Congress to the Colorado River compact, which measure is designed to ratify a compact executed at Santa Fe on November 24, 1922, by representatives of the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, and approved by a representative of the United States.

Paragraph (a) of Article IV of the compact would make navigation subservient to domestic, agricultural, and power uses. In this connection, I direct attention to the fact that under the treaty of 1854 the Republic of Mexico appears to have certain rights with reference to the "Rio Colorado." The first paragraph of Article IV of this treaty reads as follows:

"The provisions of the sixth and seventh articles of the treaty of Guadalupe Hidalgo having been rendered nugatory for the most part by the cession of territory granted in the first article of this treaty, the said articles are hereby abrogated and annulled and the provisions as herein expressed substituted therefor. The vessels and citizens of the United States shall in all time have free and uninterrupted passage through the Gulf of California, to and from their possessions situated north of the boundary line of the two countries. It being understood that this passage is to be by navigating the Gulf of California and the River Colorado, and not by land without the express consent of the Mexican Government; and precisely the same provisions, stipulations, and restrictions in all respects are hereby agreed upon and adopted, and shall be scrupulously observed and enforced by the two contracting Governments in reference to the Rio Colorado, so far and for such distance as the middle of that river is made their common boundary line by the first article of this treaty."

The sixth and seventh articles of the treaty of Guadalupe Hildalgo, as decreed by this language, were rendered nugatory "for the most part," but you will note the language with reference to the mutuality of rights of the two Governments is expressly insisted upon.

The provisions of this treaty and the articles of the treaty of Guadalupe Hidalgo referred to were considered by the Supreme Court of the United States in what is known as the "Rio Grande Dam case."

During the administration of Mr. Taft a form of convention was presented by this country to Mexico, and was agreed upon for the settlement of the irrigation question and use of water on the lower Colorado.

This convention was never executed nor the commissioners thereunder appointed because of the Mexican revolution, and the matter, as between the United States and Mexico, remains in this shape.

I also direct attention to the decisions of the United States Supreme Court in the case of United States against Rio Grande Irrigation Co. (174 U. S. 69; 184 U. S. 416), in which latter decision the court sets out the treaty provisions, equally applicable to the Rio Colorado, and states—

"These treaties, with the above and other acts of Congress, being in force, the present suit was brought" * * *.

And the court concluded by saying—

"We can not resist the conviction that if we proceed to a final decree upon the present record great wrong may be done to the United States, as well as to all interested in preserving the navigability of the Rio Grande. * * * We are the better satisfied with this disposition of the case because the questions presented may involve rights secured by treaties concluded between this country and the Republic of Mexico. As the latter country can not be indifferent to the result of this litigation and is not a party to the record, the court ought not to determine the important question before us in the absence of material evidence, which we are not at liberty upon this record to doubt would be in the record but for the somewhat precipitate action of the trial court."

It will thus be seen that the Supreme Court finally recognized the rights of Mexico under treaty provisions and remanded the case for further evidence, among other reasons, because of the recognition of Mexico's rights.

Thereafter, our Government entered into an arrangement with Mexico for the construction of a reservoir upon the Rio Grande, under the terms of which, among other things, Mexico was granted in perpetuity 60,000 acre-feet of water annually from such reservoir for her use or that of her citizens free of all costs.

On January 8, 1913, a preliminary draft of a proposed convention with Mexico, dealing with the waters of the Colorado, was submitted by the Secretary of State to the then Secretary of the Interior for his consideration and comment. Other preliminary drafts of proposed convention have been submitted by each Government and considerable discussion had taken place, as shown by correspondence on file in this department. The United States insisted upon the appointment of a commission to make studies; the Mexican Government insisted upon the Joint Boundary Commission making such studies. On February 8, 1913, the State Department forwarded a final draft of proposed convention to this department, together with a copy of letter from Secretary Knox to the American ambassador in Mexico. The latter letter advised the ambassador that the department had retained the wording of the preamble as proposed originally and commented on various counterproposals. This proposal was approved by the Interior Department and submitted by Ambassador Wilson to the then Mexican administration. Thereafter, events which took place in Mexico resulted in the recall of the ambassador, leaving the drafts of the convention practically approved by both Governments but without final conclusion, either by treaty or appointment of commissioners.

The matter received consideration during the Wilson administration, various references thereto being made in official correspondence.

In October, 1921, I received from the State Department a communication inclosing translations of communications from the Mexican de facto authorities, referring to meetings of governors of the various States who were discussing rights to the use of waters and requesting that Mexico be allowed to participate in any arrangement concerning the distribution and use of the waters of the Colorado, and that Mexico might be represented as an interested party in any proceedings taken under the act of Congress of August 19, 1921. I replied to this communication and called attention to the fact that on June 27, 1921, I had written the Secretary of State calling his attention to treaty provisions and stating:

"I do not understand that the result of any such consideration (by the commission of which Mr. Hoover is a member) would affect Mexico in any way, as, of course, the United States would not be a party to any agreement with individual or col-

lective States which would constitute a breach or violation of any treaty which it may have entered into with Mexico."

At a meeting in San Diego, Calif., about December 1, 1921, where discussion was had as to report which I was preparing to send to Congress with respect to the use of the waters of the Colorado River, Mexican officials were unofficially present and their informal suggestions listened to. I explained publicly that I favored the construction of a reservoir by the Government for the impounding of waters for the protection of the lower Colorado River for irrigation of present irrigable lands of the United States and Mexico and that I did not favor the granting of any individual rights for power or otherwise until this Government could decide its course of action, for the reason, among others, that the Government was the only authority or power through which the treaty rights of Mexico as well as the rights of the several States of the Union could properly be protected.

The said paragraph (a), Article IV, of the compact would, in my opinion, be regarded as a violation of the rights of Mexico and, to say the least, might be made the basis of a claim against the United States. I am clearly of the opinion that said paragraph should not be approved by the Congress of the United States.

Section 2 of the bill apparently covers the same subject matter as Article X of the compact and appears to be surplusage.

With respect to existing rights to the use of the waters of the Colorado River, treated in Article VIII of the compact, I direct attention to the fact that the United States Government has constructed or is constructing several reclamation projects upon the Colorado River and its tributaries and investigations have been made of other projects which may at some future time be undertaken. I also direct attention to the existing system which irrigates the lands in Imperial Valley, Calif., in the United States, as well as certain lands in Mexico, the main canal passing through Mexico for a long distance prior to entering the irrigable lands of Imperial Valley. With respect to the history of this project, reference is made to volume 33, Land Decisions, page 391, and to pages 14, 15, and 16 of Senate Document No. 103, Sixty-fifth Congress, first session, copy inclosed.

In view of the foregoing, I suggest that there be substituted for the present section 2 of the bill the following:

"SEC. 2. That this act is not intended and shall not be construed as an approval by the United States of the provisions of paragraph (a) of article 4 of the compact, nor as abrogating, limiting, or in any way affecting any existing rights of the United States or of the Republic of Mexico concerning the subject matter of the compact."

It would be appropriate in section 1, line 3, after the word "that," to insert the words "subject to the provisions of section 2 of this act"; in section 1, line 11, to change the word "signed" to "executed," and in section 1, line 14, after the word "and," to insert the words "approved by."

Subject to the suggestions above made I favor the enactment of the measure.

Respectfully, ALBERT B. FALL, *Secretary.*

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FEDERAL POWER COMMISSION,
*Washington, December 29, 1922.*

[Secretary of War, chairman; Secretary of the Interior; Secretary of Agriculture; O. C. Merrill, executive secretary.]

Hon. ADDISON T. SMITH,
*Chairman Committee on Irrigation of Arid Lands,*
*House of Representatives.*

DEAR MR. SMITH: In reply to your request for information and suggestions on H. R. 13480, granting the consent and approval of Congress to the Colorado River compact, I have to inform you that practically all development on the Colorado River is suspended pending the acceptance by the interested States and the United States of some compact to apportion the waters equitably among the States.

There are several developments now under consideration which have merit and a fair chance of success, and in the interest of that region they should be permitted to proceed.

The compact quoted in H. R. 13480 is the result of many conferences and discussions; it has been agreed to by the representatives of all the interested States and offers the best, if not the only, chance of terminating an obstructive controversy. It is believed therefore that H. R. 13480 should receive favorable action.

Very truly yours, JOHN W. WEEKS,
*Secretary of War, Chairman.*

It will be noted that the Secretary of State approves of the compact. The Secretary of the Interior also favors its approval by Congress except that, in his opinion, Congress should not agree to paragraph (a) of Article IV, which makes navigation subservient to domestic, agricultural, and power uses. His objection is based upon the fear that to do so might violate the terms of existing treaties with Mexico. This advice by Secretary Fall is gratuitous, since the Department of the Interior has no jurisdiction over the question of the navigability of streams within the United States, which is a function of the War Department, and the conduct of all foreign relations is vested by law in the Department of State. This suggestion may therefore be considered as merely an expression of his personal views which, however, should be given attention as coming from a distinguished international lawyer who has made a profound study of Mexican affairs.

Since the Secretary of the Interior has made these observations upon a matter over which he has no official authority I feel even more free to say that I do not agree with him at all. First, because, in truth, navigation is now, and for many years has been, the least of all the uses of the waters of the Colorado River and there is no way in which Mexico can suffer any injury by a frank recognition of that fact.

Second, because the provisions of the treaties quoted and referred to by Secretary Fall do nothing more than prohibit action by either the Government of the United States or the Government of Mexico *along the common boundary line* which might impede navigation in the Colorado River. Therefore, anything done wholly within the United States and not *along the common boundary line* would not violate either the letter or the spirit of these treaties even though navigation were made impossible.

Third, because the general proposition that Mexico has any interest in maintaining the navigability of that part of the Colorado River which is wholly within the United States is completely refuted by the opinion of Attorney General Judson Harmon, dated December 12, 1895, a part of which has been quoted by Mr. Hamele in answer to one of my questions. I am advised that this opinion has always been considered by the State Department to be a sound and accurate statement of the international law governing such cases.

The decision of the Supreme Court in the case of United States *v.* Rio Grande Irrigation Co. in no way modified or disturbed the legal principles thus laid down by Attorney General Harmon.

The references made by Secretary Fall to the various ineffectual efforts that have been made to conclude a convention between the United States and Mexico dealing with the waters of the Colorado River have absolutely no bearing on the question of navigation. An examination of the terms of these proposed conventions will disclose that nothing was provided except that a joint commission be appointed to study, agree upon, and report the basis of distribution and appropriation of the waters of the Colorado River, the findings of the commission, if and when approved by the two Governments, to be embodied in a treaty.

The report of the Secretary of War, as chairman of the Federal Power Commission, also approves of the compact. His statement that practically all water-power development on the Colorado River is suspended pending the acceptance by the interested States of some such compact confirms what I understand to be a fixed policy of the Harding administration. I am informed that it has been agreed that no applications for power sites on the Colorado River will be granted until the Colorado River compact is approved by the legislatures of the seven States and by Congress. This includes the application of Mr. James B. Girand for the Diamond Creek site in Arizona.

At my request the legislative reference service of the Library of Congress has furnished the following information:

AGREEMENTS AND COMPACTS BETWEEN STATES OF THE AMERICAN FEDERAL UNION TO WHICH CONGRESS HAS GIVEN ITS ASSENT.

BOUNDARY COVENTIONS.

1. Kentucky and Tennessee: May 12, 1820. (Stat. L. vol. 3, p. 609.)
2. New York and New Jersey: June 28, 1834. (Stat. L. vol. 4, pp. 708ff.)
3. Virginia and Maryland: March 3, 1879. (Stat. L. vol. 20, pp. 481ff.)
4. New York and Vermont: April 7, 1880. (Stat. L. vol. 21, p. 72.)
5. New York and Connecticut: February 26, 1881. (Stat. L. vol. 21, pp. 351ff.)
6. Connecticut and Rhode Island: October 12, 1888. (Stat. L. vol. 25, p. 553.)
7. New York and Pennsylvania: August 19, 1890. (Stat. L. vol. 26, pp. 329ff.)

PROTECTION OF FISH IN BOUNDARY WATERS.

1. Oregon and Washington: April 8, 1918. (Stat. L. vol. 40, p. 515.)

JURISDICTION OVER BOUNDARY WATERS FOR SPECIFIC PURPOSES.

1. North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, and Nebraska: March 4, 1921. (Stat. L. vol. 41, pp. 1447ff.)

CONSTRUCTION AND OPERATION OF TUNNELS.

1. New York and New Jersey: July 11, 1919. (Stat. L. vol. 41, p. 158.)

DEVELOPMENT OF THE PORT OF NEW YORK.

1. New York and New Jersey: August 23, 1921. (Stat. L. vol. 42, pp. 174ff.)
2. New York and New Jersey: July 1, 1922. (Stat. L. vol. 42, pp. 822ff.)

ERECTION, MAINTENANCE, AND OPERATION OF WATERWORKS.

1. Kansas and Missouri: September 22, 1922. (Stat. L. vol. 42, p. 1058ff.)

THE MONDELL BILL.

The following is a copy of H. R. 13480, which contains the text of the Colorado River compact:

IN THE HOUSE OF REPRESENTATIVES,
*December 18, 1922.*

Mr. MONDELL introduced the following bill; which was referred to the Committee on Irrigation of Arid Lands and ordered to be printed.

A bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact.

Whereas the act approved August 19, 1921, entitled "An act to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming respecting the disposition and apportionment of the waters of the Colorado River, and for other purposes," gave the consent of Congress to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming to negotiate and enter into a compact or agreement providing for an equitable distribution and apportionment among the said States of the waters of the Colorado River and of streams tributary thereto, upon condition that a suitable person, to be appointed by the President of the United States, should participate in said negotiations; and

Whereas under the authority of said act the representative commissioners of the said States did on the 24th day of November, 1922, at the city of Santa Fe, N. Mex., sign a compact under the provisions of the said act, which compact was approved by the representative appointed by the President of the United States: Therefore

*Be it enacted, etc.*, That the consent and approval of Congress is hereby given to a compact signed at the city of Santa Fe, N. Mex., on the 24th day of November, 1922, under and in accordance with the authority of the act approved August 19, 1921, entitled "An act to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming respecting the disposition and apportionment of the waters of the Colorado River, and for other purposes," which compact was signed by the representative commissioners of the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the representative appointed by the President of the United States under said act, which compact is as follows:

"COLORADO RIVER COMPACT.

"The States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, having resolved to enter into a compact under the act of the Congress of the United States of America approved August 19, 1921 (42 Stat. L. 171), and the acts of the legislatures of the said States, have, through their governors, appointed as their commissioners:

"W. S. Norviel, for the State of Arizona;
"W. F. McClure, for the State of California;
"Delph E. Carpenter, for the State of Colorado;
"J. G. Scrugham, for the State of Nevada;
"Stephen B. Davis, jr., for the State of New Mexico;
"R. E. Caldwell, for the State of Utah;
"Frank C. Emerson, for the State of Wyoming;

who, after negotiations participated in by Herbert Hoover, appointed by the President as the representative of the United States of America, have agreed upon the following articles:

"'ARTICLE I. The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of the Colorado River system; to establish the relative importance of different beneficial uses of water; to promote interstate comity; to remove causes of present and future controversies; and to secure the expeditious agricultural and industrial development of the Colorado River Basin, the storage of its waters, and the protection of life and property from floods. To these ends the Colorado River Basin is divided into two basins, and an apportionment of the use of part of the water of the Colorado River system is made to each of them with the provision that further equitable apportionments may be made.

"'ART. II. As used in this compact—

"'(a) The term "Colorado River system" means that portion of the Colorado River and its tributaries within the United States of America.

"'(b) The term "Colorado River Basin" means all of the drainage area of the Colorado River system and all other territory within the United States of America to which the waters of the Colorado River system shall be beneficially applied.

"'(c) The term "States of the upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.

"'(d) The term "States of the lower division" means the States of Arizona, California, and Nevada.

"'(e) The term "Lee Ferry" means a point in the main stream of the Colorado River, 1 mile below the mouth of the Paria River.

"'(f) The term "upper basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system above Lee Ferry.

"'(g) The term "lower basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system below Lee Ferry.

"'(h) The term "domestic use" shall include the use of water for household, stock, municipal, mining, milling, industrial, and other like purposes, but shall exclude the generation of electrical power.

"'ART. III. (a) There is hereby apportioned from the Colorado River system in perpetuity to the upper basin and to the lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, which shall include all water necessary for the supply of any rights which may now exist.

"'(b) In addition to the apportionment in paragraph (a), the lower basin is hereby given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum.

"'(c) If, as a matter of international comity, the United States of America shall hereafter recognize in the United States of Mexico any right to the use of any waters of the Colorado River system, such waters shall be supplied first from the waters which are surplus over and above the aggregate of the quantities specified in paragraphs (a) and (b); and if such surplus shall prove insufficient for this purpose, then the burden of such deficiency shall be equally borne by the upper basin and the lower basin, and whenever necessary the States of the upper division shall deliver at Lee Ferry water to supply one-half of the deficiency so recognized in addition to that provided in paragraph (d).

"'(d) The States of the upper division will not cause the flow of the river at Lee Ferry to be depleted below an aggregate of 75,000,000 acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the 1st day of October next succeeding the ratification of this compact.

"'(e) The States of the upper division shall not withhold water, and the States of the lower division shall not require the delivery of water, which can not reasonably be applied to domestic and agricultural uses.

"'(f) Further equitable apportionment of the beneficial uses of the waters of the Colorado River system unapportioned by paragraphs (a), (b), and (c) may be made in the manner provided in paragraph (g) at any time after October 1, 1963, if and when either basin shall have reached its total beneficial consumptive use as set out in paragraphs (a) and (b).

"'(g) In the event of a desire for a further apportionment as provided in paragraph (f) any two signatory States, acting through their governors, may give joint notice of such desire to the governors of the other signatory States and to the President of the United States of America, and it shall be the duty of the governors of the signatory States and of the President of

the United States of America forthwith to appoint representatives, whose duty it shall be to divide and apportion equitably between the upper basin and lower basin the beneficial use of the unapportioned water of the Colorado River system as mentioned in paragraph (f), subject to the legislative ratification of the signatory States and the Congress of the United States of America.

"'ART. IV. (a) Inasmuch as the Colorado River has ceased to be navigable for commerce and the reservation of its waters for navigation would seriously limit the development of its basin, the use of its waters for purposes of navigation shall be subservient to the uses of such waters for domestic, agricultural, and power purposes. If the Congress shall not consent to this paragraph, the other provisions of this compact shall nevertheless remain binding.

"'(b) Subject to the provisions of this compact, water of the Colorado River system may be impounded and used for the generation of electrical power, but such impounding and use shall be subservient to the use and consumption of such water for agricultural and domestic purposes and shall not interfere with or prevent use for such dominant purposes.

"'(c) The provisions of this article shall not apply to or interfere with the regulation and control by any State within its boundaries of the appropriation, use, and distribution of water.

"'ART. V. The chief official of each signatory State charged with the administration of water rights, together with the Director of the United States Reclamation Service and the Director of the United States Geological Survey, shall cooperate, ex officio:

"'(a) To promote the systematic determination and coordination of the facts as to flow, appropriation, consumption, and use of water in the Colorado River Basin, and the interchange of available information in such matters.

"'(b) To secure the ascertainment and publication of the annual flow of the Colorado River at Lee Ferry.

"'(c) To perform such other duties as may be assigned by mutual consent of the signatories from time to time.

"'ART. VI. Should any claim or controversy arise between any two or more of the signatory States: (a) With respect to the waters of the Colorado River system not covered by the terms of this compact; (b) over the meaning or performance of any of the terms of this compact; (c) as to the allocation of the burdens incident to the performance of any article of this compact or the delivery of waters as herein provided; (d) as to the construction or operation of works within the Colorado River Basin to be situated in two or more States, or to be constructed in one State for the benefit of another State; or (e) as to the diversion of water in one State for the benefit of another State; the governors of the States affected, upon the request of one of them, shall forthwith appoint commissioners with power to consider and adjust such claim or controversy, subject to ratification by the legislatures of the States so affected.

"'Nothing herein contained shall prevent the adjustment of any such claim or controversy by any present method or by direct future legislative action of the interested States.

"'ART. VII. Nothing in this compact shall be construed as affecting the obligations of the United States of America to Indian tribes.

"'ART. VIII. Present perfected rights to the beneficial use of waters of the Colorado River system are unimpaired by this compact. Whenever storage capacity of 5,000,000 acre-feet shall have been provided on the main Colorado River within or for the benefit of the lower basin, then claims of such rights, if any, by appropriators or users of water in the lower basin against appropriators or users of water in the upper basin shall attach to and be satisfied from water that may be stored not in conflict with Article III.

"'All other rights to beneficial use of waters of the Colorado River system shall be satisfied solely from the water apportioned to that basin in which they are situate.

"'ART. IX. Nothing in this compact shall be construed to limit or prevent any State from instituting or maintaining any action or proceeding, legal or equitable, for the protection of any right under this compact or the enforcement of any of its provisions.

"'ART. X. This compact may be terminated at any time by the unanimous agreement of the signatory States. In the event of such termination all rights established under it shall continue unimpaired.

"'ART. XI. This compact shall become binding and obligatory when it shall have been approved by the legislatures of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each signatory State to the governors of the other signatory States and to the President of the United States, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.'

"In witness whereof the commissioners have signed this compact in a single original, which shall be deposited in the archives of the Department of State of the United States of America, and of which a duly certified copy shall be forwarded to the governor of each of the signatory States.

"Done at Santa Fe, N. Mex., the 24th day of November, A. D. 1922.

"W. S. NORVIEL,
"W. F. MCCLURE,
"DELPH E. CARPENTER,
"J. G. SCRUGHAM,
"STEPHEN B. DAVIS, Jr.,
"R. E. CALDWELL,
"FRANK C. EMERSON.

"Approved:
"HERBERT HOOVER."

SEC. 2. That the said compact shall not be binding and obligatory on any of the parties thereto unless and until the same shall have been approved by the legislature of each of the said States and proclamation thereof shall be made by the President upon receipt by him from the governors of all the signatory States of notice of approval of such compact by the legislatures thereof.

DEDICATION, ENDICOTT-JOHNSON STADIUM, BINGHAMTON, N. Y.

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting in 8-point type a copy of my speech at the dedication of the First Ward Endicott-Johnson Stadium at Binghamton, N. Y., together with the statement of the labor policy of the Endicott-Johnson Corporation.

Mr. STAFFORD. It is not necessary that gentlemen request that their remarks be printed in 8-point type. If they are the gentleman's own remarks they will be printed in 8-point type.

The SPEAKER. Is there objection?

There was no objection.

Following are the speech and statement referred to:

SPEECH AT DEDICATION FIRST WARD ENDICOTT-JOHNSON STADIUM, BINGHAMTON, N. Y.

"Fellow members of the First Ward Endicott-Johnson Athletic Association, I was glad to become a member of this athletic association about a year ago, and I am doubly glad and proud to claim membership now when I see this wonderful athletic field and stadium so full of possibilities that you have built.

"Helpfulness is the final test of the success or failure of the man, of our institutions, our Government; yes, civilization itself.

"On every hand we find mute monuments that bear their silent but certain message that noble men and heroic women have contributed their time and means and selves in order to be helpful, to lighten the loads of others less fortunate, to make easier the way, to render opportunity more accessible to all.

"Our schools, our hospitals, our churches; yes, our Government itself, all bear the indelible imprint of hearts and minds—yes; lives—dedicated to helpfulness, not alone to the children of this day but to all of the children of all the to-morrows.

"Tom Brown doffed his cap as he stood at the grave of his beloved teacher, Doctor Arnold, of Rugby. A flood of memories of school days came rushing back and of how his dear old beloved teacher had put of himself in his effort to help his boys.

"Sir Christopher Wrenn was the architect of St. Paul's Cathedral in London; he put of himself in his work, and how fitting the epitaph you find over the entrance of his masterpiece, 'If you seek his monument look about you.'

"So, too, this wonderful stadium is an enduring monument, first, to those dauntless pioneers who conceived and dared to undertake; to those who persisted amidst a multitude of discouragements; to the Ansco Co. for its unselfish contributions; to Frank Walters and Roy Barnes for willingly and cheerfully assisting in directing the efforts of a multitude of earnest, enthusiastic souls; but most of all to your Mr. George F. Johnson, a kindred soul with a kindly heart, who understood the yearnings of these young people.

"Christened in the laboratory of honest toil.

"Tried and not found wanting in the crucible of competition.

"No helpful effort in this community seems to escape your observation or fails to enlist your hearty and thoughtful cooperation.

"Helpfulness is your watchword, as it should be ours.

"There flies Old Glory, our flag. Not a star or bar but what speaks its message of inspiration to all the world. On the crumbling ruins of many fallen kingdoms are new governments springing up largely modeled on our own. And everywhere these governments promise a larger helpfulness to all the people.

"No government since the beginning of history has brought so much to so many of its people as our own, and yet strange preachers and teachers are in our midst urging changes in its form and preaching doctrines and inculcating hate. Let us look back on our national history of helpfulness and service to our own; on the inspiration we have been to all the world—and then bid these strange preachers a speedy return to the foreign shores from whence most of them came. Our Constitution guarantees to everyone those inalienable rights of life, of liberty, of property, of equality of opportunity. No more should free men ask, no less do they deserve. Let's keep the faith with the founders who conceived and with a myriad of self-sacrificing souls that 'carried on' this form of government.

"Fly on Old Glory, and may your sons and daughters on this glorious field contest, always honorably and fairly, for all you symbolize; fight as in honor bound for that noble example of the 'square deal,' George F. He has made this field possible to you, and on it you should train yourself in that mastery of self that means so much. Fit your bodies that they may be fit places for all that is best in education and morals, and thus fitted you are prepared for the battle of life.

"The final measure of your success will find itself measured by the principle of the 'square deal' and your helpfulness to your fellow men, and the shining example in all his dealings with his thousands of employees who love him, and of the citizens of the 'valley of opportunity,' everybody's friend, George F. Johnson."

A REPLY AS TO THE ALLEGED "RAPACITY" OF THIS CORPORATION, APPEARING IN THE CONGRESSIONAL RECORD OF FEBRUARY 9, 1922.

LABOR POLICY OF ENDICOTT-JOHNSON AND WORKERS.

"This article is written in response to persistent requests by labor employers and working people, who wish to know what is the 'policy' which has determined our successful operation of industry, as it is exemplified in the Endicott-Johnson organization. (Written by one who knows.) It needs must be simple, straight to the point, and easily understood.

"First. Wages or salary—or, better yet, yearly income—of the toilers is the outstanding and all-important element, necessarily first in importance. As every man who labors reckons his yearly income, so should a man who makes shoes, because it is his yearly income that determines his circumstances, comfortable or otherwise, under which he needs must exist. We are prone to speak of professional men as 'salaried' workers. Their income is generally spoken of, 'so much a year.' A workingman who labors with his hands is sometimes spoken of so carefully as to mention that he earns 'so much an hour,' or possibly 'so much a day,' and, on rare occasions, 'so much a week.' We think if a workingman earns 'a dollar an hour' it looks pretty big. If he earns '$7 a day' he does pretty fair. And, perchance, if he earns '$35 to $50 a week,' it is great. But he does not live by the hour or by the day or by the week. This is not the way he supports his family and meets his current expenses. So the yearly income is the only way to reckon the income of those who labor with their heads and hands, as we have always figured the income of those who labor chiefly with their heads.

"This gives us the right start. Now, to make a good yearly income for the average working man or woman they must needs have steady work, as near 52 weeks each year as possible, less vacation periods, which are just as necessary for the worker as they are for the professional man. Therefore Endicott-Johnson's first and foremost duty, as they understand it, is to find a way to run steadly, week in and week out, month in and month out, guaranteeing steady incomes to the army of workers under their direction. There must be, first, then, a need for our products. There must be a market. And so, because we manufacture shoes, which are a prime necessity of the people, we are fortunate in the character of our product, shoes, or leather and shoes.

"Shoes are a highly competitive product. There are no 'combinations' in the shoe business. There never has been. There must be keen competition, because the productive capacity is at least one-third greater than the consumption or requirements. So it is a fight for business, which precludes any possibility of operating at big profits with little effort.

"The way we accomplished the elimination of the 'middleman' from our source of supplies is interesting, but this is another story. Sufficient to say that we did eliminate all the 'middlemen' between the raw hide and the finished shoe. Buying hides in the world's markets and manufacturing our own leather in our own tanneries, supplying all our requirements for raw material without the intervention of 'middlemen' or middle costs and profits—this gives us our big source of leather supplies without unnecessary costs. We can make better leather for less money than any tannery in the world. We know how leather should be made, and what is required of leather for manufacturing into shoes. This big advantage makes it possible for us to furnish greater values in shoes, to pay higher wages to labor, to secure steadier production and better income for the entire organization.

"We have higher efficiency in the manufacture of leather and shoes because of square dealing with the workers and because of satisfied and contented workers. We have created in the minds of the average man and woman a real desire and a firm determination to try to do their work better, and do more of it. This has been done because we want them to earn better wages, and they are anxious also to earn good wages. There is not any combination to restrain production. There is no 'teamwork' which would seek to keep down the efforts of good, smart workers. There is no disposition to hold back and not to do a full day's work. And so the smart, intelligent worker earns more than the slower, duller one, as he naturally should. The natural result of this is the slow, dull worker is trying hard to produce quantity and quality to compare with his coworker who is able to do more and better work. So the tendency is always upward and not downward. Poor men do not drag down good men in this industry. Quite the reverse. Good men lift up the poor men. Good workers are an incentive to poor workers. Always there is the uplift.

"The hours of labor are reasonable—48 hours a week. The average wages last year were about $1,450. Under a profit-sharing or surplus-sharing plan there was added to each worker's wages, on the average, about $150, making a yearly income of $1,600—man and woman, every name on the pay roll—52 weeks in the year.

"N. B.—We figure our average wages, including men and women and young people above the legal age of 16 years. We do not hire children below 16, adhering strictly to the legal limit. Many concerns employ young children because they can work cheap, and compute their average wages separately as between men and women, always showing a low average wage paid women and endeavoring to build up a high average wage paid men. This concern is different. We believe women must live as well as men. So we reckon our average wage all together—as last year, $1,600—men and women, young and old.

"This is a high average for the shoe and leather industry, which is generally regarded as very uncertain and in which a large number of women are employed, particularly in the shoe-making end of it.

"We are building homes for the workers as fast as possible. We are selling them at cost or less.

"We are creating low living costs in many ways. We have medical departments, where the workers and all their families may have the best and most scientific care and attention. We have maternity wards and hospital service.

"We have prevention departments, preventing accidents.

"We have playgrounds of every description and swimming pools. We have race tracks. We have entertainments of various kinds. We make life worth living.

"The executives of the company, with one or two exceptions, live with the business and with the people. There is no distinction between those who labor and those who direct that labor. We have all learned to love the business from which we draw our common support.

"We make better shoes and sell them for less money. We are as careful to guard the interests of our customers as we are our own interests. We believe there can be no permanent success except that which is built up by cooperation. We could not expect to make poor shoes and sell them for big money in order to do all the nice things among ourselves that we are doing. We don't want to make a big profit at the expense of the customers. Quite the contrary. We are ambitious to give them more leather and better shoes for less money. While we take good care of ourselves, we also take good care of our customers.

"Every need of every family is promptly cared for. We have old-age pensions, which is simply the weekly wages continued while there is need. We have death insurance, which means we provide the means occasioned by the loss of the heads of families or supporting member of the family. There is no mechanical operation of insurance to deceased workers that gives $1,000 to the family that has lost its support, whether the family needs it or not, or whether they need five times as much. We don't believe in that kind of insurance. Here is the way we insure:

"John, the head of the family, passes away. Immediately the needs of that family, occasioned by John's death, are ascertained, and whatever needs there are are provided for. For instance, John earned $1,600 last year; but, because he made his investment in a big family, he has not been able to save much. He has been hoping, when the children grew up, to save some money, but he has not arrived yet. Therefore, what John's family needs is John's envelope just as if he were living, and this is just exactly what they get. For one year, therefore, John's wages are given to his family just as if he were living. If by that time there has been no adjustment, if the family needs the wages another year, it is provided. It may indeed be provided for the third, fourth, and fifth year. Whatever the needs may be, they are cared for. If John should have had a family, many able to work, if he should, indeed, have had some life insurance, if there is no need occasioned by his death, then nothing is done. So there is no mechanical operation insurance in our business. The needs of every case are carefully considered and conscientiously met. This is the right kind of insurance. Those who need it receive it. Those who don't need it help to pay it. If John's family, who secure his income for the first year, have partly adjusted their affairs, there is a decrease in the amount paid the second year. Or, perhaps, at the end of the second year there is no further need. If there still exists need, whatever that need is is cared for.

"Old-age pensions: If John is a faithful worker and unable to do a full day's work, he is encouraged to do what work he can, and gradually, as he grows older and less able, he finally retires, just as a business man retires, exactly. But his needs are cared for as long as he lives. There is no fixed or stated sum. It is whatever he and his family need to be comfortable with. This is provided as long as he lives, or as long as there is need. And so, to sum up, the needs of the workers are carefully considered and conscientiously supplied.

"Last, but not least, the personal contact and old-fashioned ideas prevail. Human nature is what we reckon with. We know what we like and what we dislike. Therefore we know what the working people like and what they cordially detest. They don't want to be patronized. They don't want to be toadied to. They don't want to accept favors. They only want a 'square deal.' Given it, the 'labor problem' is solved.

"If there is any complaint, they know exactly where to go to 'talk things over.' There are no shop committees, but committees can be made up from the workers, and they can see the head of the business—provided other sources have failed—and they can discuss their troubles freely, frankly, and candidly. There is an honest effort sure to be made to adjust their difficulties.

"The surplus or profit sharing, we believe, is the greatest stabilizer in industry. After good wages have been paid and fair and decent consideration given to the welfare of the producers—after capital has had fair rates of interest; after the customers and buyers of the product have had a 'square deal' in good values and reasonable prices—if there is then any surplus, it is split '50–50' between the common stockholders, who have taken the financial risks, and the workers, who have produced the results. There are no big profits, therefore, split among a few people. There are no families who divide the earnings.

"Everything is 'on the level.' Everything is fair and square. The industry itself is greater than any individual. It is a great place for a man to work. It is a splendid place to bring up a family. It is a business that all have learned to love, because it represents the 'golden rule' and the 'square deal' in industry. It is a successful business which deserves to be successful."

NO QUORUM—CALL OF THE HOUSE.

Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Ackerman | Britten | Classon | Davis, Tenn. |
| Anderson | Burdick | Clouse | Dempsey |
| Anthony | Burke | Collins | Denison |
| Atkeson | Cable | Cooper, Ohio | Drane |
| Bacharach | Campbell, Pa. | Coughlin | Drewry |
| Barkley | Carter | Cullen | Dunbar |
| Bixler | Chandler, N. Y. | Dallinger | Dunn |
| Brand | Chandler, Okla. | Davis, Minn. | Dyer |
| Echols | Jones, Pa. | Mills | Ryan |
| Edmonds | Kahn | Moore, Ohio | Sanders, N. Y. |
| Evans | Keller | Morin | Scott, Mich. |
| Fairfield | Kelley, Mich. | Mott | Shelton |
| Fish | Kendall | Mudd | Shreve |
| Fitzgerald | Ketcham | O'Brien | Sinclair |
| Focht | Kindred | O'Connor | Smith, Mich. |
| Free | King | Oliver | Snyder |
| Funk | Kirkpatrick | Olpp | Steenerson |
| Gahn | Kitchin | Osborne | Stiness |
| Gallivan | Kleczka | Park, Ga. | Stoll |
| Gould | Knight | Parker, N. Y. | Sullivan |
| Graham, Ill. | Kreider | Perlman | Sweet |
| Graham, Pa. | Kunz | Porter | Tague |
| Green, Iowa | Langley | Rainey, Ala. | Taylor, Ark. |
| Griffin | Layton | Rainey, Ill. | Taylor, Colo. |
| Hardy, Colo. | Lea, Calif. | Ramseyer | Taylor, N. J. |
| Hays | Lehlbach | Reber | Ten Eyck |
| Hersey | Longworth | Reed, N. Y. | Thomas |
| Himes | Lyon | Reed, W. Va. | Tyson |
| Hogan | McLaughlin, Pa. | Roach | Volk |
| Huck | Mansfield | Robsion | Wheeler |
| Johnson, Ky. | Mead | Rose | Winslow |
| Johnson, Miss. | Merritt | Rossdale | Woodyard |
| Johnson, Wash. | Michaelson | Rucker | Wyant |

The SPEAKER. Two hundred and ninety-five Members are present—a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

ELECTRICAL SYSTEM OF VOTING.

The SPEAKER. The Chair has been requested to state, and thinks it may be interesting to the Members to know, that in the Committee on Accounts the new electrical system of voting will be on exhibition for a few days, where Members desiring to see it can do so. It is in the Committee on Accounts.

SUGARS IMPORTED FROM ARGENTINA.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report. The Clerk will report it.

The Clerk read as follows:

House Resolution No. 498 (Rept. No. 1476).

*Resolved*, That upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of Senate Joint Resolution No. 12; that there shall be not to exceed one hour additional general debate on said resolution, one-half of the time to be controlled by those favoring the resolution and one-half by those opposing it. Upon the conclusion of such general debate the resolution shall be read for amendment under the five-minute rule, whereupon the resolution with amendments, if any, shall be reported back to the House, the previous question shall be considered as ordered on said resolution and all amendments thereto to final passage without intervening motion except one motion to recommit.

That immediately upon the conclusion of the consideration of Senate Joint Resolution No. 12 in the House, the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution No. 79; there shall be not to exceed one hour and thirty minutes general debate on said resolution, one-half of the time to be controlled by those favoring the resolution and one-half by those opposing it; that at the conclusion of the general debate the resolution shall be read for amendments under the five-minute rule, whereupon the resolution with amendments, if any, shall be reported back to the House, the previous question shall be considered as ordered on the resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Kansas moves the previous question on the resolution.

The previous question was ordered.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I would like to have that time yielded to the gentleman from New York [Mr. HUSTED].

Mr. CAMPBELL of Kansas. The gentleman may use the time as he desires.

Mr. HUSTED. Mr. Speaker and gentlemen of the House, it is not my purpose to discuss the rule, but to discuss Senate Joint Resolution 12, which the rule seeks to bring up for further consideration in the House. This resolution, as you may remember, has passed the Senate twice and has already been up for consideration in the House in this Congress.

The claim of the American Trading Co. and of B. H. Howell, Son & Co. has been approved as to its merits by the Secretary of State of this administration, by the Secretary of State of the last administration, by the Attorney General of this administration, and by the Attorney General of the last administration, and also by the Sugar Equalization Board. Of course, that raises a reasonable presumption in its favor, because these gentlemen have all examined it carefully and have made reports to committees of Congress upon it. I happen to know some

of the gentlemen who are the officers of the American Trading Co. Mr. Jennings, the president of the company, was in Yale College when I was a student there, and I knew him very well. Mr. Warren, the first vice president of the company, is a resident of my district, and I know him very well. I want to say of my own personal knowledge that these officers of the company, and, I believe, all the officers of the company, are men of the highest character and standing, who would not be guilty of imposing upon the Congress of the United States or upon the Government of the United States in any possible way to their own financial benefit.

Now, the loss sustained by the American Trading Co. and by B. H. Howell, Son & Co., which worked in conjunction with the American Trading Co., was not in any way the fault of either of those companies. The loss was caused solely and wholly by the action or omission of the United States Government itself. This loss could have been avoided. The fact that it was not avoided was entirely the fault of the Government of the United States. The American Trading Co. knew that there was an embargo in Argentina against the exportation of sugar, and before they agreed to negotiate this transaction for the Government of the United States they obtained from our Secretary of State a promise to have the embargo lifted. They knew they could not export a pound of sugar unless the embargo was lifted as to them, and the Government of the United States, after diplomatic exchanges with Argentina, assured these people that the embargo would be lifted. Well, the embargo was not raised until a period many weeks after all purchases of sugar had been concluded and when it was no longer possible for the American Trading Co. to sell in the United States the sugar which they bought in Argentina without selling it at a very great loss.

The second point is this: The Department of Justice gave out an interview, after the American Trading Co. had made heavy purchases of sugar in Argentina, and before they had sold a pound, before the embargo had been raised, before they could sell a pound, which interview was published throughout the land in the newspapers, stating that the Government was purchasing sugar heavily in Argentina for the purpose of breaking the price in the United States. Of course, as soon as that information was given out to the people through the public press, it did break the price, and the price began to go down just as soon as that information was published, and continued to go down until the price in the United States was very low.

There was a third way in which the Government was responsible for the loss. As the price of sugar dropped in the United States, it rose in Argentina. It rose in Argentina because sugar was going out of Argentina, and it was coming into the United States. These claimants had an opportunity to sell their sugar in Argentina, not at a loss, but at a profit, but the Government of the United States said, "You can not sell a pound in Argentina." If I had more time I could state this matter in greater detail, but these are the principal reasons why this resolution should pass. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman from North Carolina use some of his time?

Mr. POU. I yield five minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Speaker, it seems to me that there ought to be an equal division of time on this rule between those who favor it and those who are opposed to it, but that does not seem to be the status of things as they are being managed here to-day.

Here is a rule that ought to be defeated. A claim involving $2,000,000, on which 483 pages of testimony were taken, is to be decided at the close of 30 minutes' debate on a side. Seven or eight months ago we had three hours' debate on this question. The proponents of the rule realized that they were beaten when the facts were presented. Over our protest they postponed the matter, thinking they would pass it after the election, and that is what they are trying to do now.

No one is more anxious for the United States to pay all of its just obligations than I. On the other hand, I am as anxious as anyone can be that the Government shall not pay any unjust claims. Much has been said on these sugar resolutions. In an effort to tear away the cobwebs and get at the very truth of this matter I am going to state the facts as they occurred just as simply as I can.

In April, 1920, the price of sugar in this country was high. There was some surplus sugar in the Argentine. The American Trading Co. was an importing corporation. B. H. Howell & Co. were general sugar distributers all over the world, and they and their correlated companies owned large sugar plantations in Cuba and elsewhere.

One would think from some of the discussions here that the American Trading Co. and B. H. Howell & Co. were drafted, that they were conscripted, if you please, into bringing in the Argentine sugar. Now, let us see whether this is true. Just in this connection I want to read you from page 20 of the hearings of January, 1921:

Mr. MCLAUGHLIN of Michigan. Who first brought up the subject of sugar from the Argentine?

Mr. FRANKLIN. I am unable to say that. It was in connection with a discussion in the State Department as to duties, and we were asking about export and import duties, and the question came up then. I do not know but what I may have said that there were sugars in the Argentine and sugars in Java, etc, and so on. They suggested that we tell the Department of Justice about it. We told the Department of Justice about that transaction in April, and then heard nothing more from it at all until May 7, at which time we were called down here to the meeting. It was about April 20, as I remember it, when I was in Washington in connection with other matters.

Quoting further:

Mr. MCLAUGHLIN of Michigan. How did this thing start and how did it develop?

Mr. FRANKLIN. Well, it started exactly as I have told you. In April we told the Department of Justice that this sugar was there.

Thus it will be seen that Mr. Franklin first gave the information to the State Department; they requested him to go to the Department of Justice with the information. He did so, and thus furnished to the Department of Justice the information on which this whole transaction started.

At that time there was a sugar embargo in the Argentine. In order that sugar might be brought out of the Argentine and into the United States, the State Department undertook to get the embargo lifted. During the month of May—that is, on May 14, 15, and 18—the American Trading Co. purchased the sugar that furnishes the basis of this claim. On May 22, 1920, the embargo was lifted and any sugar company in the world, wherever located, could bring in sugar from the Argentine up to 100,000 tons, provided they deposited in the Argentine 30 per cent of what is known as pilet sugar, to be resold down there in the event the market there was materially affected. On June 23, 1920, even this last condition was removed, so that any importer might bring in sugar without any deposit of pilet sugar in the Argentine.

Now, notwithstanding this sugar was purchased in May, and notwithstanding the embargo was lifted on May 22, and all conditions were removed on June 23, this sugar was not brought into the United States until the month of August, 1920. The market kept going up in this country and did not begin to break until July 13, when sugar broke 2 cents per pound and thereafter began to decline. Thus this company had nearly two months after the embargo was lifted before the sugar market broke, and it had 20 days after all restrictions were removed before the sugar market broke, and yet it did not bring in the sugar until nearly three months after the embargo was lifted.

These are the exact dates taken from the sworn testimony of those who presented the claims.

There must be some motive for this delay. I am going to show what I think that motive was. James H. Post was one of the partners in B. H. Howell Co., the distributor. James H. Post was a director in the Cuban-American Co., in the National Sugar Refining Co., and in 12 other sugar companies, which companies owned vast estates in Cuba and elsewhere where sugar was produced in great quantities. I undertake to say that these claimants did not want to bring this sugar in from the Argentine, that they wanted to control the situation, hook the Government, hold back the Argentine sugar, and feed the high-priced market in the United States gradually with their sugar from Cuba, Java, and elsewhere. In other words, what is popularly known as the Sugar Trust was trying to control the sugar situation, for while the American Trading Co. tried to create the impression at first that they were not engaged in the sugar business, yet as a matter of fact they were general importers and they were associated in this transaction with the B. H. Howell Co., who were engaged in the general sugar business.

Now evidently the B. H. Howell Co. knew of these vast quantities of sugar owned by their company in Cuba and elsewhere, because they actually owned the sugar and the estates which produced the sugar, and the market was finally broken by virtue of the importation of sugar not from the Argentine but from other points and by virtue of the great quantities of sugar which were available.

During this period the Sugar Equalization Board was licensing all sugar companies in this country and was controlling

the profits, allowing 1 cent per pound profit to the sugar wholesaler. The claimants were not the purchasing agents of the Government; they were merely licensees like all other companies. These companies were rather artistic in their dealings. While the profits on all sugar were being limited to 1 cent per pound they threw in together, one of them bringing it in and the other distributing, so that they each received 1 cent per pound—in other words, doubled the profits. This sugar, according to Mr. Franklin's own testimony, was purchased in the Argentine for between 13 and 14 cents per pound. Here I quote from page 15 of the hearings of January 8, 1921:

Mr. JONES. What did you pay for the sugar that you purchased down there?

Mr. FRANKLIN. I am coming to that. I can answer that question right here. About 13 cents, United States currency.

Now accepting the American Trading Co.'s own estimate as to various items of expense, including the cost of delivering in the Argentine, the freight, the insurance, the interest on the money invested, and the warehousing, the cost laid down in New York with storage paid was only 18.34 cents per pound, and if you permit their own estimate as to the cost of refining the part of it which they claim needed refining, it was only 19.43 cents per pound, everything included, with all the padding they cared to make.

They were permitted to sell this sugar at 2 cents per pound above this, figuring 1 cent profit to each company. This was twice the profit that other companies were allowed at the same time. It is conceded by Mr. Franklin and all of the witnesses that the Government never agreed to stand any losses, that nothing was ever said about the loss in the contract that the claimants made. The contractors furnished the money and handled the sugar and were to get all the profits. Where do you get agency in such a contract? Who ever heard of such a contract of agency? Did you ever hear of an agent in your life who was to make all the contracts, handle all the products, do all the financing, get all the profits, furnish all the money? The whole proposition is absurd. And yet after all this, after they have handled all the transactions and received all the profits they want the Government to shoulder all the losses. The absurdity of such a proposition is clearly proven by the mere statement of the facts in the case.

But this is not all; not only were these companies trying to keep sugar from coming in from the Argentine and to feed the high-priced market with their own sugar, native grown and elsewhere, in which they continued to fix their own price, but they made contracts all over the United States to furnish sugar at 22.5 cents per pound.

I have in my hands a number of copies of the American Sugar Bulletin. Here is a front-page headline, dated December 18, 1920: "Files suit to enforce repudiated contracts. Franklin Sugar Refining Co. brings suit for $90,000 against Reeves, Parvin & Co., of Philadelphia, and for $84,000 against John Scott & Co., of Philadelphia. February 12, 1921: Other suits to enforce repudiated sugar contracts. American Sugar Refining Co. brings suits against a number of other companies. Sugar sales 22.5 cents per pound. February 26; Another suit for enforcement of sugar contracts by Franklin Sugar Co. February 19, 1921: Refiners bring more suits to enforce broken contracts. March 5, 1921: Bring two more suits to enforce contracts. April 9: American Sugar Refining Co. and Franklin Sugar Refining Co. bring two more suits to enforce contracts. April 23: Another suit for enforcement of sugar contracts by Franklin Co. May 14: Another suit by the American Sugar Refining Co. On May 21 another suit. On May 28 two more suits."

And so it runs.

All of these were suits on contracts made by these companies for sugar to be sold throughout the United States for 22.5 cents per pound.

Oh, these fellows were wise. While the sugar was high and while they were holding back the Argentine sugar and while they controlled immense quantities of sugar in Cuba and elsewhere they were making contracts all over the United States for the delivery of sugar at 22.5 cents per pound. What an absurdity for them to want Uncle Sam to play walking Santa Claus in the face of such transactions as these.

This is the best-organized raid on the United States Treasury that has ever come within my observation. Any loss which they may have sustained on the pittance of Argentine sugar was a mere bagatelle. They were doing high financing on a tremendous scale, and were undertaking not only to hook the United States Government but the business men throughout the United States. I pronounce the whole thing a gigantic fraud, a pretentious holdup, a legislative outrage.

Even if the whole thing had been in good faith they would not be entitled to recover, for this is a question of the adoption of a policy, and if the United States undertook to refund all losses that arose out of the war there would be no place to stop. Wheat was $3 per bushel. The Government, over night, fixed the price at $2, thus occasioning great losses to the farmers, elevator men, and wheat buyers; and dealers who on one day had paid $2.80 and $2.90 cash for wheat were compelled to sell next day for $1.80, $1.90, and $2.10. These are much greater sacrifices than could possibly have been involved in the case at bar.

During the war and the aftermath of the war many people were called upon to make sacrifices. All over this country property losses were involved in the necessary action of the Government in the prosecution and winning of the war. Bright-eyed, ambitious American boys were taken from their vocations and their employment at salaries ranging from $1,200 to $10,000 per year and required to serve at $30 per month. Some of them in addition gave an arm, an eye, their health, and many their lives for the common good. All over this country there are men with empty sleeves, with wooden legs, who with awkward footsteps are undertaking to make a livelihood. In many homes there are vacant chairs. It cost seas of blood, broken hearts, and billions of treasure to win the war. If the American Government is going to make appropriations to sugar claimants for any seeming losses, should it not likewise take care of these? Such a monstrous proposition as this claim outrages the sense of justice and shames those who countenance it. It ill becomes these claimants to cry about losses on sugar transactions that only involved a few thousand tons from the Argentine when they have never at any time seen fit to even suggest a division with the United States Government for all of the millions which they made out of high-priced sugar from their vast estate in Cuba and elsewhere.

The SPEAKER. The time of the gentleman has expired.

Mr. POU. Mr. Speaker, there ought not to be much controversy about this matter, because all of the substantial facts are admitted. The resolution provides not for any appropriation of money, not a dollar to be taken out of the Treasury, but that the President of the United States be authorized to have the Sugar Equalization Board investigate these claims, and if, in the opinion of the President of the United States, the claims are honest, just, and right, they will be paid and not otherwise. The entire matter is referred to the President. This sums up the purpose of the resolution now before the House.

Now, let us not get away from that fact. Not a dollar of money appropriated by any resolution upon which we will vote to-day. Why these claims? In 1920 the Government of the United States was engaged in the business of attempting to break the price of sugar. I say that no business man under the shining sun with any degree of common sense would have brought sugar into the United States with the Government attempting to break the price, except under specific guaranties. That is exactly what took place here. These gentlemen took the place of the Sugar Equalization Board. If the Sugar Equalization Board, which had ceased to function at that time, had brought this sugar in, the loss would have been the same and the Government would have borne the loss. Certain companies are merely substituted for the Sugar Equalization Board, and they have sustained an enormous loss. By Executive order the Department of Justice had taken over the duties and activities of the Sugar Equalization Board. The American people have had the benefit of the break in the price of sugar caused by the campaign inaugurated by Attorney General Palmer and his assistants. You can not play heads I win and tails you lose. The Government can not in justice hide behind its sovereignty and force the men who brought in this sugar to sustain the loss. The Attorney General was doing the best he could to break the price of sugar. He succceeded, and is entitled to the thanks of all the American people.

Mr. Palmer and his associates and Mr. Rily had inaugurated this campaign to break the price of sugar, and that campaign was in part made successful by these gentlemen who brought in this sugar for the very purpose of breaking the price. They were practically at all times agents of the Government.

I see no reason for discussing the question of whether they might have imported Argentine sugar a little sooner or did not do so. They were making a certain profit that was agreed upon in advance by A. Mitchell Palmer's department, and they were doing the best they could. Of course, all transportation was at that time more or less difficult.

They had agreed upon a profit which could not be in excess of 1 cent a pound for bringing the sugar in and 1 cent a pound for distributing it. I submit no business man would bring in

a great supply of sugar with that small profit except under a guaranty that he was going to find a purchaser when the sugar got here. One of these companies had a ship at Buenos Aires partly loaded. This company ordered the cargo discharged and reloaded the ship with this sugar to be imported into the United States in order to break the price. The ship immediately began its voyage to New York and the price began to go down. The company asked permission to turn the ship around and send it back to the Argentine, but the Attorney General said, "No; bring it into the United States, as you agreed." When the sugar got to New York the representative of the importing company said, "Where are the persons to whom the sugar is to be delivered? You told me you would have purchasers ready." Mr. Rily said, "I don't know; the market is demoralized. The price is down. I don't know where any purchasers are and I can't do anything for you." The company said, "Can we put the sugar in warehouses?" "No," the department answered; "if you do, we may have to prosecute you for hoarding." "Where is my relief?" said the company representative to Rily, and Rily said, "I can do nothing for you."

Mr. LAZARO. Who was Rily?

Mr. POU. Rily was a special assistant to A. Mitchell Palmer under the Wilson administration. He had the handling of the sugar problem; he was put there by Palmer, and Palmer indorsed his acts. In cooperation with the companies named in this resolution he was trying to break the price of sugar, and he and they succeeded.

Why, gentlemen of the House, it would be a breach of faith on the part of the Government to repudiate these transactions.

Mr. SNELL. Will the gentleman yield?

Mr. POU. For a very brief question.

Mr. SNELL. Is it not a fact that every man connected with the two administrations that knows about the transaction approves of this legislation?

Mr. POU. Certainly; every official of the Wilson administration connected with these transactions says a high moral obligation is involved. Mr. Palmer and Mr. Rily and every official of the Wilson administration who had any connection with these importations of sugar takes the position that the Government can not honorably force the loss upon the importers who were merely agents of the Government; and then a hostile administration came in which would have been glad, probably, in a political battle to have found some point to criticize in the action of the former administration, but Mr. Daugherty, the Attorney General, and every official of his office, who had supervision of the sugar problem, take the same position. They all say there is a highly moral obligation on the part of the Government to pay these claims. I would be ashamed of my Government if, under these circumstances, it repudiated the transaction. [Applause.]

Now, gentleman, that is about all there is to this matter. And yet we took up a whole day discussing the claim of the B. H. Howell Co. and the other company. I have read the arguments of my splendid young friends who are fighting this resolution. The only thing that caused me to hesitate was their earnestness, but when you read their arguments they are distinctly technical. It is the argument of a lawyer honestly misled, no doubt, by technicalities when there is a great moral principle involved which ought to control.

The Government of the United States should be an example of fair and square dealing with every one of its citizens. The people of the United States have gotten the benefit of the decline in the price of sugar. The price went from 28 cents a pound down to 8 cents a pound as the result of the campaign inaugurated by Attorney General Palmer. Submit the matter to the people of the United States, to their fair and just judgment. They will not repudiate an honest obligation. The Sugar Equalization Board made $39,000,000 clear profit upon the sugar crop of Cuba. When the Sugar Equalization Board ceased to function the sugar was imported in the only way it could be brought in, by appealing to patriotic private citizens and their companies, and when they sustained a loss, lo and behold, we find gentlemen here who say that they must be ruined, because these men will go into bankruptcy, I am told, on account of these transactions—we must ruin these men who were trying to help the American people, and keep our $39,000,000 of profit which we made on the Cuban sugar crop. Gentlemen, this House can not afford to take such a position as that. I do not believe that this House will take such a position as that. The only thing that the proponents of this resolution are asking is the just and righteous thing, and the just and the righteous thing is for the Government to make good the pledge of its servants. In any event, I think we can trust the President of the United States, who by this resolution is referee, because I think we have never had a President who could not be trusted to treat the citizen fairly. [Applause.]

Mr. BLANTON. Mr. Speaker, I make the point of order that under the rules of the House, where the previous question is ordered upon a resolution of this kind, before there has been debate, the time is automatically divided, 20 minutes on a side, one-half to those favoring the resolution and one-half to those opposing it. That rule is not being followed here, in that only 5 minutes have been given out of the 40 minutes to those who oppose the resolution, and I claim that it is in violation of the rules of the House to so apportion the time.

The SPEAKER. The Chair had no knowledge how gentlemen on the Committee on Rules stood. The Chair recognized the chairman of the Committee on Rules for 20 minutes and then the ranking minority member of the Committee on Rules for 20 minutes. The Chair thinks that they have the right to use the time according to their judgment.

Mr. BLANTON. And that that can be done regardless of the rule which provides 20 minutes shall be given to those in favor of the resolution and 20 minutes against?

The SPEAKER. Does the rule say that?

Mr. BLANTON. That is my recollection of the rule, where the previous question is ordered without debate. It occurs to me that we have had so far a very unfair division of the time.

The SPEAKER. The gentleman is correct. The rule provides:

One-half of said time to be given to debate in favor of and one-half to debate in opposition to.

Mr. BLANTON. I insist that there shall be an equal division of the time.

The SPEAKER. The Chair was not aware that the gentleman from North Carolina [Mr. POU] was in favor of the resolution. The Chair recognized him, as he always does the ranking member of the minority. The Chair thinks the time ought to be equally divided between those in favor of the resolution and those who oppose it. As it is, 15 minutes have been used in favor of the resolution and 5 minutes have been used in opposition to it.

Mr. POU. Mr. Speaker, how much time did I use?

The SPEAKER. The gentleman used 10 minutes.

Mr. POU. I am perfectly willing to cut the time. I have yielded five minutes of my time against the rule, and I shall yield five minutes more time against the rule.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. Is it not true that while the rule provides as has been suggested, yet that the time to assert that right is when the gentleman in charge of the rule yields the floor, reserving the remainder of his time? At that time I think those who opposed the rule should have demanded recognition.

Mr. BLANTON. We took it for granted that the minority side would grant such time.

The SPEAKER. Of course, it is the custom always to recognize the ranking member of the minority of the Committee on Rules, but the Chair thinks that when the minority member is on the same side as the majority member, half of the time should be given, as he has given it, to those who oppose the resolution. The Chair is disposed to think that the gentleman from Kansas [Mr. CAMPBELL] should also give half his time, if members on the Republican side desire it.

Mr. CAMPBELL of Kansas. Mr. Speaker, I have had no requests from this side of the House for time on the rule.

Mr. BLANTON. We request some now.

Mr. JONES of Texas. I made the request.

Mr. CAMPBELL of Kansas. Yes; the gentleman from Texas did, but I distinctly said just now that no one on this side of the House, meaning the Republican side, had requested time.

Mr. MONDELL. Mr. Speaker, I do not recall that it has ever been held in the House that the Chair is responsible for the division of time. It is the almost universal rule for the Chair to recognize the chairman of the committee and the ranking minority member of the committee. Those gentlemen have, under the almost universal practice in the House, divided the time under the rule.

The SPEAKER. That is very true, and, as the Chair stated, the Chair was not aware how either of the gentlemen stood.

Mr. MONDELL. The Chair having recognized these two gentlemen, it is for them to decide, it seems to me, under the rules of the House how they shall allot the time.

Mr. POU. Mr. Speaker, I should like to say that there was almost no division in the Committee on Rules. I think that the opponents of the resolution have had more than their share of the time according to the sentiment of the Committee on Rules.

Mr. BLANTON. But that is not what the rule of the House says.

The SPEAKER. According to the invariable practice, the Chair recognized the gentleman from Kansas and the gentleman from North Carolina, but the Chair does think that those gentlemen ought to so arrange that the time both for and against is equally divided.

Mr. CAMPBELL of Kansas. May I make this suggestion, Mr. Speaker: Matters of debate from a committee, of course, are within the rule that where the previous question is ordered there shall be 20 minutes on a side, 20 minutes for and 20 minutes in opposition to the matter under consideration. Here is a matter from the Committee on Rules upon which there seems to be unanimity of opinion from that committee. The chairman of the committee moved the previous question. The previous question was ordered. That automatically gave the chairman of the committee 20 minutes and the ranking minority member of the committee 20 minutes. At that time no gentleman on either side of the House protested that he was opposed to this resolution and asked to control the time in opposition to it. No member of the Committee on Rules asked for time in opposition to this resolution. If any member of the committee had asked for it, he would have undoubtedly been recognized by the Speaker to control the time in opposition to the rule.

Mr. KINCHELOE. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Other gentlemen, having no knowledge of the information submitted to the Committee on Rules, ask now at the conclusion of one-half the time for debate on this resolution to control the time in opposition to it.

Mr. KINCHELOE. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. KINCHELOE. The gentleman remembers that I came to him endeavoring to secure some time?

Mr. CAMPBELL of Kansas. The gentleman is not a member of the Committee on Rules.

Mr. KINCHELOE. I am a member of the Committee on Agriculture, and the gentleman stated that some stranger——

Mr. CAMPBELL of Kansas. And the gentleman has spoken for hours on this question.

Mr. KINCHELOE. Yes.

Mr. CAMPBELL of Kansas. Out of order and in order.

Mr. KINCHELOE. And the committee proponents of this question, seeing they were beat that day, rose and would not have a vote on it——

Mr. CAMPBELL of Kansas. I submit that it will inaugurate a new régime in this House to say that after debate has progressed until it is disclosed that the committee in charge of a bill are unanimously in favor on a matter, where the previous question has been ordered, that then some gentleman may arise and say that the time should have been divided. The request to control time in opposition should be made immediately after the previous question is ordered.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. BLANTON. May I make a statement?

The SPEAKER. The Chair will hear the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, it seems that I am unfortunate in that I am not a member of the great Committee on Rules. There are 423 of us who are thus unfortunately situated, and yet, we have rights under the rules of the House, and I am sure the Speaker is going to see that we get them.

We can not tell whether members of the Rules Committee are in favor of a proposition until we hear them speak. The Chair recognized the gentleman from North Carolina [Mr. POU]. We found out when he spoke that he was in favor of the resolution. Then, Mr. Speaker, I took the floor and called for the rule which gives 20 minutes on a side. I think in all fairness——

The SPEAKER. The gentleman is mistaken.

Mr. BLANTON. I submit that the RECORD will support my statement. The gentleman from Kansas should give 10 minutes of his time to those opposing the resolution.

The SPEAKER. The gentleman is mistaken. At the time the gentleman called attention the gentleman from North Carolina had spoken for 10 minutes. The Chair is ready to rule. The Chair does not think any point of order rises——

Mr. CRAMTON. Mr. Speaker——

The SPEAKER. The Chair will hear the gentleman from Michigan.

Mr. CRAMTON. Mr. Speaker, it appears to me this involves a matter of much importance to the House. The rules provide for an equal division of time, 20 minutes for and 20 minutes against.

By custom the matter of apportionment of that time is left with the ranking member of the Rules Committee on each side, and of course the Speaker does not know until a speech is made on which side the Member speaking may stand, but when it develops that 20 minutes of time has been used by one side, that fact is before the Speaker. The rule is above custom. The rule provides that one-half of the time shall be on each side, and however it may be handled by the Committee on Rules, when it appears to the Speaker that 20 minutes has been used on one side of a question, under the rule the Speaker, if objection is made, can not recognize any one for further debate upon that side of the question. Otherwise this would leave the House in a dangerous situation. The Committee on Rules might many times be fully in accord as to a rule, be all on one side of a question, and if it is to be held that the Committee on Rules may so manipulate the apportionment of time as to have debate almost wholly on one side or even to the extent of all on one side and none on the other, what position is the House in?

Now, the rule was to prevent that situation, and the only way that appeals to me of enforcing it is, as I suggest, in the yielding of time, the Committee on Rules controlling the time, when 20 minutes have been used on one side no one else can be heard on that side. In other words, in this particular situation when five minutes more shall have been used in favor of this rule, further debate in favor of the rule is exhausted and further debate on that side impossible, and if no member of the Committee on Rules wants to speak in opposition, those not on the Committee on Rules are entitled to recognition under the rules of the House.

Mr. ASWELL. Is not the time for making that division at the beginning of debate, not afterwards?

Mr. CRAMTON. The rule makes that division.

Mr. ASWELL. Is not the time for the opposition to speak when the debate begins?

Mr. CRAMTON. No; the House may not know the situation in the Committee on Rules. The House may not know.

Mr. ASWELL. It is a gentleman's business to find out.

Mr. CRAMTON. The rule stands for their protection.

Mr. CAMPBELL of Kansas. Mr. Speaker, to cut this matter short and avoid further delay, any gentleman on this side of the House wanting time in opposition to this rule may have it.

Mr. JONES of Texas. Mr. Speaker, I suggest that the rule does not say one side or the other.

Mr. CAMPBELL of Kansas. The gentleman from Texas has had time.

Mr. MONDELL. In case of opposition to unanimous consent the opposition would be opposition to the rule, and not to the merits of the rule. In other words, the merits can only be considered by unanimous consent.

Mr. JONES of Texas. Is it in order for one who opposes this rule to claim recognition?

The SPEAKER. The Chair is ready to rule on the point of order. The rule provides that one-half of such time shall be given in favor of and one-half in opposition. As the House is aware, it is always the custom in the House to recognize the ranking member of the Committee on Rules in favor and the ranking member of the minority against. Sometimes there is no one to oppose a rule when it is presented. The Chair thinks that so far as the Chair is aware, the House always intends to be fair and disapproves of any attempt to evade the intention of the rule, and often that is left to the acquiescence of the House. When the gentleman from Kansas [Mr. CAMPBELL] had finished and reserved the balance of his time, the Chair recognized the gentleman from North Carolina [Mr. POU] for 20 minutes.

The Chair assumed that he was against the rule, which was confirmed by his yielding to the gentleman from Texas [Mr. JONES], who opposed the rule. Then the first knowledge the Chair had that the gentleman from North Carolina was in favor of the rule was when he took the floor and occupied time for 10 minutes. The Chair thinks the point of order should be made when recognition is had. When the Chair recognized the gentleman from North Carolina, the Chair sanctioned that. But the Chair thinks that in fairness to the rule and in fairness to the House, the gentleman from North Carolina having yielded half of his time in opposition, it would be but fair that the gentleman from Kansas [Mr. CAMPBELL] should yield half his time also in opposition to the rule.

Mr. CAMPBELL of Kansas. I am perfectly willing to yield now if any gentleman on this side of the House wants time in opposition to the rule. I will yield him 10 minutes.

Mr. CRAMTON. Mr. Speaker, will the Chair permit an observation?

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for the regular order.

Mr. CRAMTON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. How is it going to be possible for any Member of the House to have knowledge of what position a man is going to maintain on the floor when the Speaker himself says he can not have that knowledge?

The SPEAKER. It is very easy. The Chair remembers, himself, years ago when on the floor, arising and asking whether the gentleman about to be recognized was opposed to the bill or not.

Mr. CRAMTON. The Speaker would have that right.

The SPEAKER. The Speaker remembers having done it when he was a Member on the floor.

Mr. CRAMTON. The Member on the floor does not know what is in the mind of the Committee on Rules.

Mr. CAMPBELL of Kansas. Mr. Speaker, I call for the regular order. We must proceed with the business of the House.

The SPEAKER. The Chair thinks he has the right to recognize the gentleman from Michigan.

Mr. CRAMTON. A Member on the floor may not have in mind what is in the mind of the Committee on Rules. The gentleman from North Carolina [Mr. POU], himself in favor of the rule, might have had in mind that the chairman of the committee was planning to recognize for 10 minutes some one on the other side. But each side of the question is entitled to 20 minutes.

The SPEAKER. That is being accomplished at this time. The gentleman from Kansas says he will yield 10 minutes to them against the bill.

Mr. CRAMTON. But the gentleman from Kansas limits his yielding to those on this side of the House.

The SPEAKER. The Chair does not think so.

Mr. BLANTON. Mr. Speaker, I would like to have time against the rule.

Mr. CAMPBELL of Kansas. I yield to the gentleman from Texas five minutes.

Mr. BLANTON. I yielded to my colleague [Mr. JONES].

Mr. CAMPBELL of Kansas. No; I yielded to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Have I not the right to yield?

Mr. CAMPBELL of Kansas. No.

Mr. HARDY of Texas. Mr. Speaker——

Mr. BLANTON. Then, Mr. Speaker, I will occupy it myself. But I would have preferred to have given it to my colleague [Mr. JONES].

Mr. HARDY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman has no right to prefer a parliamentary inquiry without the consent of the gentleman occupying the floor.

Mr. HARDY of Texas. I have been talking to the Speaker, but the Speaker has not been listening.

Mr. BLANTON. Mr. Speaker and gentlemen of the House, if this is a proper resolution and if this is a proper rule making it in order it ought to bear the light of day. It ought to bear a close scrutiny. It ought to be able to stand up under proper argument and proper dissection by Members of the House who have studied the question. It comes before the House with a shadow upon it. It comes before the House with an attempt on the part of our dozen friends who have been so fortunate as to be members of the Rules Committee—and who seem to think that the other 423 Members who are not so fortunate have no say at all about it—to shut off debate and to make in order two resolutions, the first one embracing the serious proposition to take $2,500,000 of the people's money out of the Treasury, and the second to take out an additional $1,700,000 of public money, and they seem to think that we who are not members of that committee are not concerned in this at all, when this public money is to be placed in the private pockets of big corporations.

Mr. ASWELL. Will the gentleman yield just for a question?

Mr. BLANTON. The gentleman can get time from his sugar friends on the other side.

Mr. ASWELL. This money does not come out of the Treasury. It comes out of the Sugar Equalization Board, which has $16,000,000 in the bank now.

Mr. BLANTON. Yes; but that $16,000,000 came out of the pockets of every jobber and every retailer and every consumer back at home in our respective districts, and it ought to go back into the Public Treasury. Thus, as a matter of fact, this $2,500,000 which by this resolution we are to put into the private pockets of these two corporations will be paid by the people of the United States, and it is just the same as if we were now appropriating it out of their Treasury.

I would feel more favorable toward this rule if our friend from Kansas [Mr. CAMPBELL], the great chairman of the Committee on Rules, and if our friend from North Carolina [Mr. POU], the former great chairman and now the ranking minority member of that committee, had come on the floor and said, "We are going to discuss this rule 40 minutes, 20 minutes for those who are for it and 20 minutes for those who are against it." But they gave us 5 minutes. Here is a proposition that involves $2,500,000, yet we are forced to close debate in an hour.

Why should we not take this day? Why should we vote for a rule that limits debate on a $2,500,000 proposition to one hour, when we are practically through the work of this Congress? We have passed every supply bill; we have performed our work; we have done our work expeditiously; we have already sent it to the other end of the Capitol; we have time on our hands. This is to be followed by the other resolution that is to take $1,700,000 out of the Treasury, and by the provisions of this rule we are limited to an hour and a half debate on that measure. Is that proper debate? I submit it to the gentleman from Kansas that he ought to be more fair to the membership of this House when he brings in a rule of this kind out of his hip pocket, when few Members know what is coming up. He brings it here and springs it on the House when the Members are not expecting it. I say that the people of this country are looking, not to the membership of the Rules Committee but they are looking to the 435 Members of this House for the passage of proper legislation by their votes. The gentleman from Kansas can not pass this resolution merely by the 12 votes of the Committee on Rules. He is going to ask us to vote on it. He is going to ask us to vote under our oaths of office. He ought to give us a chance to know what we are voting on. He ought to give my colleague from Texas [Mr. JONES] an hour on this proposition. My colleague from Texas has given careful study to this question. He is a member of the Committee on Agriculture that has had it under consideration. He has been working on it for weeks. He ought to give the gentleman from Kentucky [Mr. KINCHELOE] an hour on it. Now, why do you not give him plenty of time to give his views to this House, to place what he knows about the matter before the membership? Then we would feel more favorable toward your resolution.

Mr. CAMPBELL of Kansas. I still have five minutes that I will yield to any gentleman who desires it.

Mr. ROSENBLOOM. I should like the time.

Mr. CAMPBELL of Kansas. I yield five minutes to the gentleman from West Virginia [Mr. ROSENBLOOM].

Mr. ROSENBLOOM. Mr. Speaker and gentlemen of the House, I wish to state to you observations which I have had in mind for a considerable period of time. You have read in the newspapers of this country the questions: "What is wrong with Congress?" "Why is it that men of the old type do not present themselves as candidates for election to Congress?"

The eminent gentleman from New York [Mr. COCKRAN] made a very masterly and eloquent address on that subject some time ago.

In my opinion, proceedings such as this—passage of rules that will not permit proper consideration of legislation—merit a diminution of public esteem and respect.

We have accepted and continue to tolerate rules of procedure restricting our prerogatives as Members of Congress until our activity is confined to legalizing what is submitted by some one else. Instead of legislating, we serve as a rubber stamp to approve legislation.

Mr. ASWELL. If they are rubber stamps, what do they stamp?

Mr. ROSENBLOOM. They stamp the bills that are submitted by commissions, by the Sugar Equalization Board, by members of the Cabinet, and by some committees. Many bills have been passed here with but a single argument in their favor. The Secretary of the Interior, the Secretary of the Navy, the Secretary of War, or some other Cabinet officer indorses it, and consideration by Members of the House is deemed superfluous.

The tariff bill was considered here for but a few hours, and in the Senate it was considered for months.

This session has been a revelation. Bill after bill has been presented by a committee with but practically one argument—a letter from the head of some department. If those officials are the best judges, why are we asked by our constituents to pass

upon the merits of legislation? Why, in fact, is the legislation submitted to us at all?

Mr. KNUTSON. Will the gentleman yield?

Mr. ROSENBLOOM. I have very little time. I will yield if there is any left. The point I make is this: The trouble with Congress is that we have ceased to legislate and that we merely legalize. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. ROSENBLOOM. Yes.

Mr. CHINDBLOM. The gentleman does not intend to have us understand that he approved of the protracted debate on the tariff bill at the other end of the Capitol, did he?

Mr. ROSENBLOOM. No; but I do approve the fact that there was sufficient time to consider the items.

Mr. CHINDBLOM. Will not the gentleman agree with me that that very fact that the tariff bill was under consideration so long at the other end of the Capitol is one of the troubles that we have had on this side of the House?

Mr. ROSENBLOOM. I did not have any such trouble, because I voted to recommit that bill. Now, are there any other questions?

Mr. BLANTON. They are through. [Laughter.]

Mr. ASWELL. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, the House having listened twice within 40 minutes to the same speech by the gentleman from Texas, I presume we have had all there is to be said on that side of the question. The resolutions made in order by this resolution have passed the Senate, I think, by unanimous vote—one of them twice. They have been reported by unanimous vote from the committees of the Senate. There seems to have been no opposition to the Government doing the fair thing by those who brought sugar into the United States for the purpose of breaking the sugar market and bringing down the high price of sugar until the gentleman from Texas and the gentleman from Kentucky thought they had discovered a mare's nest somewhere. The fact is the Sugar Equalization Board during the summer of 1920 was practically out of business. The price of sugar had mounted very high, the price ranging from 26 to 29 and 30 cents a pound. The Department of Justice was given authority to deal with the question. The Attorney General in his anxiety to bring down the price of sugar appointed Mr. Figg and Mr. Riley to proceed in the matter and do everything that could be done to bring down the price of sugar. The claimants in these two resolutions were authorized and directed by the agents of the Attorney General to bring this sugar in from the Argentine Republic. It was brought in, it brought down the price of sugar, it broke the market, it brought the price of sugar down from 28 and 30 cents to 8 cents a pound.

These men lost money. The Sugar Equalization Board has in its possession now $11,000,000 of money earned by that corporation in the sugar business. The resolution directs the President, being the sole stockholder of that corporation, the equalization board, to take over these matters and make such adjustment as in his judgment he deems proper. Could anything be fairer, could anything be more just, is there anything wrong about it? Is there anything about it that has a shadow over it?

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a brief question.

Mr. SUMMERS of Washington. It has been stated that the price of sugar broke before this sugar came in. If that is true, how did this break the price?

Mr. CAMPBELL of Kansas. It was published in every newspaper in the United States that this sugar was on the way here from Buenos Aires, and that broke the market.

Mr. EVANS. Is it not a fact that most of the sugar was there after the price broke and started afterwards, and they tried to get a waiver of the embargo and could have sold the sugar?

Mr. CAMPBELL of Kansas. I believe the gentleman is in error. I know that one lot of sugar was in cargo midway between here and Buenos Aires. They learned that the sugar market had broken and endeavored to get authority to return to Buenos Aires to dispose of the sugar there, and they were denied the right to do it. These are the facts in this matter.

I have been unable to understand how gentlemen can work themselves into a fury upon a matter that involves the Government's doing simple justice to those it had authorized and directed as its agents to perform certain duties for our citizens, and that is what was done here.

Mr. FESS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. FESS. With reference to breaking the market, how long would it take to break the market if it were announced that there were 100,000 tons of sugar in Argentina, and that 70,000 tons were going to be purchased by our Government?

Mr. CAMPBELL of Kansas. A day would do it, and it was published to the world that this sugar was on its way to the United States, and the price went down.

Mr. KNUTSON. And was it not implied by this Government that infinitely more sugar was on its way from Argentina than was actually on its way, in order to depress the market?

Mr. CAMPBELL of Kansas. I think that was done.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

Mr. JONES of Texas. Mr. Speaker, I ask for a division of the questions in the resolution.

Mr. CAMPBELL of Kansas. There is but one resolution.

Mr. JONES of Texas. But one portion of the resolution deals with Senate Joint Resolution 12, and another portion of the resolution deals with Senate Joint Resolution 79.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order that this is not divisible for the reason that it is a resolution from the Committee of Rules and becomes a rule of the House and does away with the other rules.

Mr. CAMPBELL of Kansas. Mr. Speaker, the Committee on Rules for years has brought resolutions in making one, two, three, and in some instances a large number of bills in order. This is one resolution, and there never has been a division of the question in this way to my knowledge within the past 10 years.

Mr. JONES of Texas. Mr. Speaker, two distinct claims are taken care of in the resolution. Some Members of the House think that one claim is just, and some that the other claim is just. A man may want to vote for one and not for the other, but he would have to vote for the consideration of both resolutions if the vote be taken en bloc.

Mr. CAMPBELL of Kansas. The same resolution provides for the consideration of two separate resolutions.

Mr. JONES of Texas. But an hour and a half is given to the discussion of one and but one hour to the discussion of the other.

Mr. CAMPBELL of Kansas. We gave an additional hour to the discussion of one which had already been discussed for three hours, and an hour and a half to the discussion of the other.

The SPEAKER. The Chair finds that there is a precedent for dividing the rule, although at first blush the Chair would have thought that the statement made by the gentleman from Indiana [Mr. SANDERS] was correct. Therefore, the Chair thinks that this is divisible, and the vote will first come upon the portion of the rule which applies to Joint Resolution No. 12. The question is on that portion of the resolution applying to Senate Joint Resolution No. 12.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 119, noes 54.

Mr. KINCHELOE. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question is on that portion of the resolution applying to Senate Joint Resolution No. 12.

The question was taken; and there were—yeas 197, nays 104, answered "present" 1, not voting 125, as follows:

YEAS—197.

| | | | |
|---|---|---|---|
| Abernethy | Brooks, Ill. | Cole, Ohio | Fenn |
| Andrew, Mass. | Brooks, Pa. | Colton | Fess |
| Ansorge | Brown, Tenn. | Connolly, Pa. | Fisher |
| Appleby | Buchanan | Copley | Focht |
| Arentz | Bulwinkle | Crago | Foster |
| Aswell | Burdick | Crowther | Freeman |
| Bacharach | Burtness | Cullen | French |
| Bankhead | Burton | Curry | Garrett, Tenn. |
| Beedy | Butler | Dale | Gernerd |
| Begg | Byrnes, S. C. | Darrow | Gifford |
| Bell | Byrns, Tenn. | Doughton | Glynn |
| Benham | Campbell, Kans. | Dupré | Gorman |
| Blakeney | Cantrill | Echols | Green, Iowa |
| Bland, Ind. | Carew | Elliott | Greene, Mass. |
| Bland, Va. | Chalmers | Ellis | Greene, Vt. |
| Bond | Chindblom | Fairchild | Griest |
| Bowers | Clark, Fla. | Fairfield | Hadley |
| Brennan | Clarke, N. Y. | Faust | Hardy, Colo. |
| Britten | Cole, Iowa | Favrot | Haugen |

| | | | |
|---|---|---|---|
| Hawes | Linthicum | Patterson, Mo. | Stedman |
| Hawley | Logan | Patterson, N. J. | Stephens |
| Hays | Lowrey | Paul | Strong, Pa. |
| Henry | Luce | Perkins | Sullivan |
| Hickey | Luhring | Perlman | Summers, Wash. |
| Hicks | McArthur | Petersen | Sweet |
| Hill | McCormick | Pou | Swing |
| Hukriede | McFadden | Pringey | Taylor, Tenn. |
| Humphrey, Nebr. | McKenzie | Purnell | Temple |
| Humphreys, Miss. | McLaughlin, Mich | Radcliffe | Tilson |
| Husted | McLaughlin, Nebr. | Ransley | Timberlake |
| Hutchinson | McPherson | Reece | Tinkham |
| Ireland | MacGregor | Rhodes | Towner |
| Jacoway | MacLafferty | Riddick | Treadway |
| Jefferis, Nebr. | Magee | Riordan | Underhill |
| Johnson, S. Dak. | Mansfield | Roach | Vaile |
| Kearns | Mapes | Robertson | Vestal |
| Kelley, Mich. | Martin | Rodenberg | Voigt |
| Kennedy | Mondell | Rogers | Walters |
| Kiess | Montague | Rossdale | Ward, N. Y. |
| Kindred | Moore, Ill. | Sanders, Ind. | Wason |
| Kissel | Moores, Ind. | Schall | Webster |
| Kleczka | Morgan | Shaw | White, Me. |
| Kline, N. Y. | Mott | Siegel | Wood, Ind. |
| Kline, Pa. | Murphy | Sinnott | Wurzbach |
| Knutson | Nelson, Me. | Smith, Idaho | Wyant |
| Kraus | Nelson, A. P. | Smithwick | Young |
| Larson, Minn. | Newton, Mo. | Snell | Zihlman |
| Layton | O'Connor | Snyder | |
| Lee, Ga. | Oldfield | Sproul | |
| Lee, N. Y. | Parker, N. Y. | Stafford | |

NAYS—104.

| | | | |
|---|---|---|---|
| Almon | Fields | Lazaro | Sinclair |
| Andrews, Nebr. | Frear | Leatherwood | Sisson |
| Anthony | Fulmer | Lineberger | Speaks |
| Barbour | Garrett, Tex. | London | Steagall |
| Beck | Gilbert | McDuffie | Steenerson |
| Bird | Goldsborough | McSwain | Stevenson |
| Black | Hammer | Maloney | Strong, Kans. |
| Blanton | Hardy, Tex. | Michener | Sumners, Tex. |
| Boies | Herrick | Miller | Swank |
| Bowling | Hoch | Moore, Va. | Tillman |
| Box | Hooker | Nelson, J. M. | Tucker |
| Briggs | Huddleston | Norton | Turner |
| Browne, Wis. | Hudspeth | Oliver | Vinson |
| Christopherson | Hull | Parker, N. J. | Volstead |
| Clague | James | Parks, Ark. | Ward, N. C. |
| Collier | Jeffers, Ala. | Quin | Weaver |
| Collins | Johnson, Ky. | Raker | White, Kans. |
| Connally, Tex. | Jones, Tex. | Rankin | Williams, Ill. |
| Cooper, Wis. | Kelly, Pa. | Rayburn | Williams, Tex. |
| Cramton | Kincheloe | Ricketts | Williamson |
| Crisp | Kopp | Robsion | Wilson |
| Deal | Lampert | Rosenbloom | Wingo |
| Dickinson | Lanham | Sabath | Wise |
| Dowell | Lankford | Sanders, Tex. | Woodruff |
| Driver | Larsen, Ga. | Sandlin | Woods, Va. |
| Evans | Lawrence | Sears | Wright |

ANSWERED "PRESENT"—1.

Rouse

NOT VOTING—125.

| | | | |
|---|---|---|---|
| Ackerman | Fitzgerald | Kunz | Rose |
| Anderson | Fordney | Langley | Rucker |
| Atkeson | Free | Lea, Calif. | Ryan |
| Barkley | Frothingham | Lehlbach | Sanders, N. Y. |
| Bixler | Fuller | Little | Scott, Mich. |
| Brand | Funk | Longworth | Scott, Tenn. |
| Burke | Gahn | Lyon | Shelton |
| Cable | Gallivan | McClintic | Shreve |
| Campbell, Pa. | Garner | McLaughlin, Pa. | Slemp |
| Cannon | Gensman | Madden | Smith, Mich. |
| Carter | Goodykoontz | Mead | Stiness |
| Chandler, N. Y. | Gould | Merritt | Stoll |
| Chandler, Okla. | Graham, Ill. | Michaelson | Tague |
| Classon | Graham, Pa. | Mills | Taylor, Ark. |
| Clouse | Griffin | Moore, Ohio | Taylor, Colo. |
| Cockran | Hayden | Morin | Taylor, N. J. |
| Codd | Hersey | Mudd | Ten Eyck |
| Cooper, Ohio | Himes | Newton, Minn. | Thomas |
| Coughlin | Hogan | O'Brien | Thompson |
| Dallinger | Huck | Ogden | Thorpe |
| Davis, Minn. | Johnson, Miss. | Olpp | Tincher |
| Davis, Tenn. | Johnson, Wash. | Osborne | Tyson |
| Dempsey | Jones, Pa. | Overstreet | Upshaw |
| Denison | Kahn | Paige | Volk |
| Dominick | Keller | Park, Ga. | Watson |
| Drane | Kendall | Porter | Wheeler |
| Drewry | Ketcham | Rainey, Ala. | Winslow |
| Dunbar | King | Rainey, Ill. | Woodyard |
| Dunn | Kirkpatrick | Ramseyer | Yates |
| Dyer | Kitchin | Reber | |
| Edmonds | Knight | Reed, N. Y. | |
| Fish | Kreider | Reed, W. Va. | |

So that portion of the resolution applying to Senate Joint Resolution 12 was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Paige (for) with Mr. Rouse (against).

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tincher (against).

Mr. Atkeson (for) with Mr. Little (against).

General pairs:

Mr. Shreve with Mr. McClintic.

Mr. Mudd with Mr. Rainey of Illinois.

Mr. Kahn with Mr. Barkley.

Mr. Denison with Mr. Tague.

Mr. Graham of Pennsylvania with Mr. Upshaw.

Mr. Ackerman with Mr. Dominick.

Mr. Funk with Mr. Brand.

Mr. Michaelson with Mr. O'Brien.

Mr. Thompson with Mr. Stoll.

Mr. Kearns with Mr. Taylor of Colorado.

Mr. Winslow with Mr. Hayden.

Mr. Cannon with Mr. Garner.

Mr. Bixler with Mr. Drane.

Mr. Cooper of Ohio with Mr. Cockran.

Mr. Kendall with Mr. Thomas.

Mr. Reed of New York with Mr. Rucker.

Mr. Keller with Mr. Tyson.

Mr. Dunn with Mr. Carter.

Mr. Free with Mr. Kitchin.

Mr. Longworth with Mr. Taylor of Arkansas.

Mr. Rose with Mr. Drewry.

Mr. Anderson with Mr. Park of Georgia.

Mr. Davis of Minnesota with Mr. Lea of California.

Mr. Cable with Mr. Johnson of Mississippi.

Mr. Dallinger with Mr. Gallivan.

Mr. Langley with Mr. Mead.

Mr. Lehlbach with Mr. Rainey of Alabama.

Mr. Graham of Illinois with Mr. Kunz.

Mr. Chandler of New York with Mr. Lyon.

Mr. Osborne with Mr. Overstreet.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The question is on agreeing to the second part of the resolution.

The question was taken; and the Speaker announced the ayes seemed to have it.

On a division (demanded by Mr. KINCHELOE and Mr. BLANTON) there were—ayes 124, noes 60.

Mr. KINCHELOE. Mr. Speaker, I object to the vote on account of no quorum being present, and make that point of order.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum.

Mr. KINCHELOE. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Kentucky demands the yeas and nays. Thirty-six gentlemen have arisen, not a sufficient number, and the yeas and nays are refused, and the motion is agreed to. Under the rule the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the resolution.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HICKS in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of Senate Joint Resolution No. 12, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 12) authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic.

*Resolved, etc.*, That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation, American Trading Co., and the copartnership, B. H. Howell, Son & Co., a certain transaction entered into and carried on by said corporation and copartnership at the request, under direction and as agents of the Department of Justice and Department of State, which transaction involved the purchase in the Argentine Republic, between the 13th day of May, 1920, and the 22d day of May, 1920, of 13,902 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of, and to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them, or either of them, in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. KINCHELOE. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. KINCHELOE. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. Under this rule one-half the time is to be controlled by those who are against the resolution and one-half by those who are in favor of the resolution. I was wondering whether it is in order for the gentleman from New York [Mr. WARD], who is in favor of and in charge of the bill, to ask unanimous consent that the time may be divided equally.

The CHAIRMAN. The Chair feels it is not necessary to make that unanimous-consent request. The Chair is going to recognize the gentleman from New York [Mr. WARD] to control the time of those who are in favor of the bill and the gentleman from Kentucky [Mr. KINCHELOE] to control the time in opposition to the bill. Under the rule 60 minutes have been set apart for debate on this resolution, 30 minutes in control of those who are in favor and 30 minutes for those who are in opposition. The Chair recognizes the gentleman from New York [Mr. WARD] for 30 minutes.

Mr. WARD of New York. Mr. Chairman, will the Chair notify me when I have used seven minutes? Mr. Chairman and members of the Committee, I am going to make a very brief statement, giving the true facts and conditions that made necessary Senate Joint Resolution No. 12.

Early in April, 1920, the State Department learned of a surplus of sugar in Argentina, which information was communicated to the Department of Justice. An acute shortage existed in this country, with sugar retailing from 25 to 30 cents per pound. The Department of Justice, with the cooperation of the State Department, acting under authority of the Lever Act, arranged for the importation of a large part of this surplus sugar to relieve this situation and to break the price.

These departments lacked both funds and an organization to promptly carry out such an undertaking. Upon assurances by the State Department that the Argentine sugar embargo would be lifted on request of the United States Government, the American Trading Co., of New York, with a branch office in Buenos Aires for 30 years, was appointed purchasing agent of the Department of Justice to buy and import the sugar. The Department of Justice then asked B. H. Howell, Son & Co., of New York, to distribute the sugar to a list of purchasers approved by it. The commission fixed by the Department of Justice at 1 cent per pound for each company, the testimony shows, was very reasonable.

The Department of Justice, by letter dated May 11, 1920, instructed the American Trading Co. to immediately buy as much sugar as possible, and simultaneously requested, through the State Department, the lifting of the Argentine embargo. Through inability of these departments to secure the permit promptly, the company was delayed more than a month and a half in arranging the importation of the total purchase of 13,902 tons. Meantime much publicity was given the transaction, the market weakened, and when the sugar was offered in the United States only 5,000 tons could be sold.

To avoid any loss, the companies urged the resale in Argentina of the unshipped sugar, but the State Department and Department of Justice refused this suggestion by letter of August 2, 1920, thus preventing such resale. On August 11, 1920, this Government officially offered the unshipped sugar to the Argentine Government at approximate cost, but this offer was declined. All of the sugar—13,902 tons—was brought to the United States and sold at a loss of approximately $2,500,000. The break in the market which this importation is acknowledged to have started saved hundreds of millions of dollars to the American people, and these Government agents should not be required to stand the loss incurred in performing this service. This measure only provides reimbursement without compensation, and enables these agents to repay the money borrowed to finance the transaction.

During the extensive hearings Attorney General Daugherty and Attorney General Palmer appeared and urged, as a matter of equity and justice, that relief should be granted these companies, who acted merely as the agents of the Government. All of these facts were established in the hearings by letters, official cables, and other documentary evidence.

This bill does not require an appropriation, but simply provides administrative authority for the liquidation of the transaction from the surplus funds of the United States Sugar Equalization Board. This board has examined this case and are unanimously in favor of this resolution. [Applause.]

Mr. SNYDER. Will the gentleman yield right there?

Mr. WARD of New York. For a question.

Mr. SNYDER. Just for a question. Is it not a fact those nine millions this Government is getting is part of the profit the Government made in the sugar business?

Mr. WARD of New York. Yes. I reserve the remainder of my time.

Mr. BLANTON. Will the distinguished gentleman from New York yield?

Mr. WARD of New York. I can not yield.

Mr. KINCHELOE. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. HAUGEN], chairman of the Committee on Agriculture.

Mr. HAUGEN. Mr. Chairman, the gentleman from New York has referred to the Lever Act lacking in funds. He should have added lacking in authority for any official of the Government to enter into a contract to buy or sell sugar, or to guarantee anybody against a loss or to make good any loss. The statement of the Attorney General and the statement of Mr. Figg, the only ones who had anything to do with the transaction on the part of the Federal Government, so stated. The claimants do not claim that there is any legal obligation. In fact, the claimants admit they had no agreement or understanding that the losses should be made good. So it resolves itself into this: It is merely a moral obligation, as has been stated by Mr. CAMPBELL of Kansas and other gentlemen—a moral obligation. Now, gentlemen, the question is if the Government or if the Congress is to recognize and to make good its millions of moral obligations—if so, why single out this particular one, one which has been granted special privileges, first to be given a profit of 2 cents a pound, and, as the gentleman will recall, Congress passed an act authorizing the President of the United States to take over the Cuban sugar. Had the President exercised the power suggested by Congress, these people would have sold their sugar at a much lower price than the price sold at; they were large holders; they would have sold their sugar at about 5½ cents a pound, instead of the price which they were allowed to sell it for—about twice that amount. The other privilege was they might be excused from the deposit of 30 per cent of pilet sugar, required of other exporters. The De Ronde people made the deposit, and had no difficulty in importing sugar at the time which they desired.

Mr. HUSTED. Will the gentleman yield for a question?

Mr. HAUGEN. I have only five minutes. Just a question, I will yield to the gentleman.

Mr. HUSTED. I just want to ask the gentleman——

Mr. HAUGEN. I am simply correcting the gentleman's statement.

Mr. HUSTED. I want to ask the gentleman if he was aware the American Trading Co. purchased every pound of the thirteen thousand and some odd tons of sugar before the pilet embargo decree was issued in the Argentine?

Mr. HAUGEN. Oh, they had no trouble in importing afterwards——

Mr. HUSTED. Oh, no; they bought all their sugar——

Mr. HAUGEN. I can not yield further, unless the gentleman will give me additional time.

Let us see about this embargo. The question was asked:

I understood you to say that no agency of the Government or department of the Government was in any way derelict but did everything they could to assist these people?

Here is Mr. Figg's answer:

I think the Government was trying in every way possible. If there was any failure anywhere on the part of the Government, it was due to the American ambassador.

Now, what did he have to say about the sale of the sugar? He said it could not be done without creating trouble in Argentina. Is it suggested that the Government should interest itself to accommodate anybody importing sugar, especially after being given all these privileges and assistance to the extent of causing trouble with another nation? How about the embargo? What did Mr. Figg have to say about it? I read from Mr. Figg's letter:

After talking this over with your representatives, Mr. Linn and Mr. Giddings, it was deemed advisable that your agent already on the ground should be advised to contract for or buy as much of the entire surplus as possible before any further request was made that the embargo be lifted, as, of course, the general knowledge that this has been done will create a speculative market.

That was to prevent an inflation of prices to enable these people to purchase the sugar at a very low price and make a profit.

Now, my friends, if we are to recognize these people, if the Government is to recognize these moral obligations, why single out these gentlemen who have made profits, these gentlemen who went into it, as stated by the gentleman from Kansas [Mr. CAMPBELL] and others for the purpose of "breaking the price"?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAUGEN. Mr. Chairman, I would like to have three minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HAUGEN. That is stated in the hearings. The only purpose was to break the price, to bankrupt the dealers of this country who had sugar on hand, to bankrupt the retail dealers of this country. All have knowledge of retail dealers

all over this country who bought sugar at a cost of 25 or 30 cents a pound, and as the result of this transaction they were compelled to sell their sugar at half the price they paid for it, which bankrupted many dealers.

If we are to recognize these moral obligations, why single out these people who have caused the retail dealers to suffer loss?

Mr. MONDELL. Where in the record does the gentleman find any statement that these people have made any profit at all?

Mr. HAUGEN. They were in the sugar business.

Mr. MONDELL. Where is it stated that they made anything?

Mr. HAUGEN. They were in the sugar business, and practically everybody in the sugar business on a large scale made profits. I have pointed out to the gentleman that the President failed to authorize the purchase of the Cuban sugar crop. If the President had authorized the Sugar Equalization Board to carry out its policy and purchase the Cuban crop, the price of sugar would not have been increased to the consumers in this country.

Mr. MONDELL. Oh, the gentleman is not talking about the case that is pending here.

The CHAIRMAN. The gentleman's time has again expired.

Mr. WARD of New York. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

The CHAIRMAN. The gentleman from Michigan is recognized for five minutes.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, it has been said that the American Trading Co., in the line of their business, took this matter up with the Department of Justice; that it was their own idea; they started it. The American Trading Co. was transacting other business with the State Department, and when that was concluded the State Department officials said: "There is a large amount of sugar in the Argentine. Why not see if you can buy it? Go and see the Department of Justice about it." The American Trading Co. people went to the Department of Justice, and then the matter was taken up. It is said that the American Trading Co. bought this sugar secretly and early, thereby implying something underhanded or dishonest in their transaction. The Department of Justice instructed them to buy secretly, so that there could be no influence on the market in the Argentine.

Now, there is a question as to the authority conferred on the American Trading Co. They have been called the purchasing agents of the Department of Justice. There is serious doubt whether the Department of Justice had authority to employ those people or make them its agents. That is a legal question that the courts may have to pass upon. But we do find the American Trading Co.'s agent going out of the office of the Department of Justice announcing that his company had been appointed the department's purchasing agent. We find a letter written immediately thereafter by the Department of Justice to the Department of State saying that these people would take up the purchase of this sugar, and that letter called them the purchasing agents of the Department of Justice. We have correspondence between our Secretary of State, Mr. Colby, and our ambassador in the Argentine, saying over and over again that the American Trading Co. was the purchasing agent of the Department of Justice.

Mr. JACOWAY. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. JACOWAY. I want to ask the gentleman if the record in the State Department does not disclose the fact that time and time again the correspondence between the department and our minister abroad referred to this sugar as "our" sugar, meaning the sugar of the United States?

Mr. McLAUGHLIN of Michigan. I will speak of that. The Secretary of State instructed our ambassador in Argentina to assist these people as the purchasing agents to buy sugar for the Government. They were called "our agents." There was then a total embargo. The lifting of it was promised. A few weeks later the embargo was lifted, but on condition that pilet sugar, 30 per cent of the amount proposed to be exported should be deposited, an inferior quality of sugar in Argentina, known as pilet sugar. That demand was made on our Government. Our correspondence between the State Department and the ambassador asked that that restriction be removed. The Secretary of State said: "We have no sugar of that kind. We have no pilet sugar. Our sugar is of a different kind."

The idea runs all through the correspondence that it was the sugar of the Government of the United States; that the American Trading Co. was only acting as our agent. Finally that restriction was removed by a decree signed by the President of Argentina, in which he says: "Out of consideration to the Government of the United States and as a favor to the United States, considering the friendly relations," and so on, "we issue this decree to permit their purchasing agents, the American Trading Co., to buy and export that sugar without the necessity of depositing the 30 per cent."

Then prices in this country fell, and the suggestion was made that permission be given to sell that sugar in Argentina, where the price had gone up. The State Department said: "Yes; we will let the American Trading Co. sell the sugar down in Argentina." The State Department corresponded with our ambassador down there, and he replied: "No; that will not do at all. This is a Government transaction; and when the suggestion was made that the sugar be sold here, it was said our Government was not keeping faith with the Government and people of Argentina; it will not do at all to permit this sugar to be sold in Argentina." So permission to sell was refused by the State Department and by our ambassador in Argentina.

Then the Government of the United States itself wished to sell that sugar down there, and the State Department wrote to our ambassador asking if he could not get permission to sell "our sugar," and the Argentine Government refused the request. Now, in short, that is the situation. There was not a moment through all that transaction when it was not under the absolute control of the Government. That is why the American Trading Co. did not export earlier. There was not a moment when it was not controlled by the Government. Others brought in sugar. De Ronde & Co. did it. Lamborn & Co. did it, because they had no connection with the Government and they were able to comply with all restrictions. The State Department officials testified that the American Trading Co. was the only company with which they had anything to do. I am not speaking now of the Howell Co., which was authorized to distribute sugar. The American Trading Co. was the only company with which we had anything to do. These other people, the De Ronde Co. and the Lamborn Co., could do as they pleased. They were free agents. It is true they were acting at the request of the Federal Government, but there was absolutely no control over them by the Federal Government. There was control by the Government from beginning to end over all the transactions of the American Trading Co. by the State Department and by the Government of the Argentine.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KINCHELOE. I yield to the gentleman from Minnesota [Mr. CLAGUE] five minutes.

Mr. CLAGUE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. CLAGUE. Mr. Chairman, being a member of the Committee on Agriculture, before which these claims were referred, I have heard all the evidence presented before the committee since March, 1921.

Not only have I heard the evidence presented before our committee, but a number of Senators have spoken to me regarding the evidence that was taken before the Senate Committee, in reference not only to this resolution, but to the one that is to follow it. After hearing that evidence and after talking to men whom I thought had knowledge of this matter, I voted to have these claims come before the House, and I also voted in favor of reporting the claim that is to follow. Since these claims were reported by the committee I have given much study and further consideration to these resolutions and am now convinced that these resolutions should not have been reported favorably. I have become so convinced after hearing the evidence of Mr. Rily who came before the committee on another claim. At that time Mr. Rily's evidence convinced me that the evidence of Mr. Glasgow, which tended to support this claim, was absolutely erroneous, and if the evidence of Mr. Rily had been presented before our committee before these claims were reported, in my opinion they would not have been reported favorably. I wish to say at this time that in my judgment there is no legal nor moral obligation on the part of the Government to pay these claims. I say that after a thorough investigation of all the evidence presented before March, 1921, and since, and particularly since the Lamborn claim was before our committee, that there is no moral or legal obligation of any kind on the part of the Government to support these claims.

Mr. ROACH. Will the gentleman yield?

Mr. CLAGUE. I yield to the gentleman.

Mr. ROACH. I notice that as to Senate Joint Resolution 79, which presents the claim of De Ronde & Co., that is to follow this one, the gentleman prepared the report of the committee in that case.

Mr. CLAGUE. Yes.

Mr. ROACH. And the gentleman recommended the passage of the resolution, and as a matter of equity and justice the gentleman asked payment of the loss sustained by De Ronde & Co.

Mr. CLAGUE. Yes.

Mr. ROACH. Since the gentleman prepared that report has he had a change of heart on this subject?

Mr. CLAGUE. Yes. I am convinced that it was a mistake that these resolutions were reported favorably by the committee, and after hearing Mr. Rily in the Lamborn claim I was and am now convinced that none of the claims are either legal or moral claims against the Government.

Mr. BLANTON. Will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. BLANTON. Much has been said about reducing the price of sugar from 25 or 30 cents a pound to 8 or 10 cents a pound. The gentleman will remember what happened before, when they ran sugar up from 8 cents a pound to 25 or 30 cents a pound. There was a going up first before there was a coming down afterwards.

Mr. J. M. NELSON. Will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. J. M. NELSON. Are there other claims of this kind pending before the gentleman's committee?

Mr. CLAGUE. There are other claims. The Lamborn claim is much more meritorious than this one.

Mr. J. M. NELSON. So, if we pass this, there will be other claims presented before the House?

Mr. CLAGUE. There is no question but that there are other claims, amounting to several million dollars, that will be presented if these claims are paid.

Mr. WARD of New York. I yield three minutes to the gentleman from Wisconsin [Mr. VOIGT].

Mr. VOIGT. Mr. Chairman and gentlemen, as a member of the Committee on Agriculture, I have given very careful consideration to the claim involved in this resolution. I am familiar with all the evidence in the case. While my inclination is to be opposed to claims of this nature and to regard them with suspicion, a calm and unbiased consideration of the evidence drives me to the conclusion that this is as meritorious a claim as could be presented to the Congress of the United States. I do not feel at liberty to allow political considerations to enter into my judgment in passing on the rights of these claimants, and I have considered the evidence as though I were sitting as a judge or a member of a jury.

In the short time allotted to me I can not go into many details. The Government, through the Department of Justice, employed the American Trading Co. as its purchasing agent. If you will turn to page 9 of the hearings, you will find a dispatch from Mr. Polk, Acting Secretary of State, to the American Embassy at Buenos Aires. This is dated May 13, 1920, and therein this sentence occurs:

> The American Trading Co. has been appointed purchasing agent by the Department of Justice, and it is being instructed by that department to obtain quietly as many options as possible before the market is aware that the embargo has been lifted, in order to avoid unduly high prices, otherwise it will be impossible to buy Argentine sugar.

These people from start to finish were in the hands of the Government of the United States, and submitted to and were subject to its direction in this transaction.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. VOIGT. I can not yield in the short time I have. They were not free agents. After they purchased the sugar they could not have disposed of one pound of it without the consent of the Department of Justice. Before they bought the sugar, and as an inducement to enter into the transaction, they were assured by the State Department and the Department of Justice that for any sugar bought as purchasing agents for the Government, the embargo maintained by the Argentine Government against the exportation of sugar could be raised. It was agreed that the gross profit of the American Trading Co. should be limited to 1 cent a pound; that the sugar should only be delivered to such persons as were designated to receive it by the Department of Justice; that Howell & Son were to act as distributers of the sugar on behalf of the department; that the distributees and the amounts were to be approved by the department. On the assurance that the Government could immediately upon the purchase of the sugar secure the consent of the Argentine Government for its export, and with the above understanding the American Trading Co. borrowed and furnished between six and seven million dollars and purchased about 14,000 tons of sugar down there. After they bought the sugar it developed that our Government could not get the embargo raised, and it took six weeks of negotiation to finally get the consent of the Argentine Government to let the sugar out. During these six weeks exaggerated stories were published in the United States about the large amount of sugar coming here from the Argentine. As a consequence the price took a tumble. When the American Trading Co. realized that on account of the delay it probably could not get cost and expenses for all of the sugar in the United States, it requested permission of our Government to sell the sugar it still had in the Argentine.

At that time sugar had materially advanced in the Argentine; and if the American Trading Co. had been free to do with the sugar as it pleased, it could have resold down there and have realized a profit of a couple of million dollars. However, the company was very honorable. It made a proposition to our Government that, if permitted, it would resell the sugar in the Argentine at 16 cents per pound, when the price then was at least 7 or 8 cents more. Our State Department refused to permit this course. It seems to me this course should have been arranged, but these claimants are not responsible for the refusal of the State Department to let them sell. Then these parties were obliged to bring all of the sugar to the United States and sell it at a loss. They could not even store it, for fear of being prosecuted for hoarding.

Mr. STEPHENS. Was the sugar ever sold?

Mr. VOIGT. Most of it was afterwards sold at a loss.

Now, if you will turn to the hearings, page 11, you will find a communication from the Argentine Government, stating that permission is granted to this company to export the sugar as purchasing agent of the Department of Justice. On page 26 you will find a letter from Mr. Figg, who was the Assistant Attorney General having this transaction in charge, to the President, urging him to direct the Sugar Equalization Board to take over this transaction so as to save these people from loss.

Mr. Figg says in his letter that the action of these claimants, resulting in depressing the price of sugar in the United States, which as you may recall was then between 25 and 30 cents per pound, resulted in a saving to the American people of a billion dollars. I do not believe that, but I do believe that by reason of the stories published at the time, concerning the importation of vast quantities of Argentine sugar, the price went down materially, and I believe this venture did save the American people several hundred million dollars. Even if it did not save us a cent, I believe the Government is morally bound to save these people from loss. They acted as agents for the Government, they acted within the scope of their instructions, and it is elementary that in these circumstances the principal must back up the agent. Furthermore, our Government failed to have the embargo lifted as it agreed, which fact was responsible for the loss, and then to cap the climax it refused these people permission to resell the sugar in the Argentine when there was an opportunity for them to come out whole. They do not ask a profit now; they want the Government to stand their loss. I am going to hold this Government to the same rule of responsibility that I would hold an individual, and when that rule is adopted, the Government is absolutely bound to reimburse these people. [Applause.]

Mr. KINCHELOE. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Kentucky has 21 minutes and the gentleman from New York has 16 minutes.

Mr. KINCHELOE. We have but one more speech on this side.

Mr. WARD of New York. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. MCLAUGHLIN].

Mr. MCLAUGHLIN of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MCLAUGHLIN of Nebraska. Mr. Chairman and gentlemen of the committee, of the many claims against the Federal Government growing out of the varied activities of the Government departments in the World War, some of them undoubtedly are just and meritorious and should be paid, while many of them are without sufficient merit and should not be paid. Among the claims that have been presented or may be presented, that of the American Trading Co. for reimbursement for the actual loss sustained by them in acting as the purchasing agent of the Department of Justice for the importation of sugar from the Argentine in a successful attempt to break the sugar market in this country has, in my judgment, been established beyond the question of a doubt. The resolution has twice passed the Senate by a 2-to-1 vote,

after having been unanimously reported by the Senate Committee on Agriculture and Forestry.

Hearings have been held in both the Senate and House committees, in which men of the highest repute and integrity have testified, representing the American Trading Co., the Department of Justice, the Department of State, and the Sugar Equalization Board. The Good Book says that by the mouth of two witnesses a thing shall be established. In support of the claim of the American Trading Co. practically all of the witnesses who have been called are in complete agreement as to the merits of the claim. A Democratic Attorney General and a Republican Attorney General, as well as a Democratic Secretary of State and a Republican Secretary of State have assured the Agriculture Committee in the hearings that were had that the claim was just and meritorious and should be paid.

Inasmuch as the details of the transaction have been thoroughly covered in the printed hearings and have been discussed on the floor of the House, I do not wish to take the time of the House, except to review some of the more important features of the evidence in support of the claim.

It is understood that under the Lever Act the President was empowered to take such steps and set such machinery in motion from time to time as might appear necessary to provide an adequate supply of food and feeds of various kinds and to facilitate the proper distribution of the same. The question of the supply and distribution of sugar was considered early under the operation of the Lever Act, and finally the United States Sugar Equalization Board was established, which, in addition to the Cuban sugars imported, imported a little less than 40,000 tons of other foreign sugars, on which a profit of $39,000,000 was made in the handling and distribution. Thirty million dollars of this amount was turned into the Treasury of the United States, and something like $9,000,000 was held back for the purpose of adjusting claims growing out of sugar transactions.

When the Sugar Equalization Board was created it was not in the mind of those arranging to handle the sugar situation in this country originally to attempt to control the sugar situation at a profit to the United States Government, but a profit of $39,000,000 was made. Now, I submit to the Members of the House that it is unfair, most decidedly unfair, that the Government of the United States should make a profit of $39,000,000 in handling the sugar situation during the war and immediately after the war, and that a private importing company, at the solicitation of the Department of State, the Department of Justice, and acting as the purchasing agent for the Department of Justice, as clearly shown in the hearings as well as in the large volume of official correspondence passing between this Government and the Argentine during the course of the transaction, should stand a loss of $2,500,000 while attempting faithfully to cooperate with the Department of Justice in their efforts to break the sugar market.

On or about April 26, 1920, Mr. Walter S. Franklin, vice president of the American Trading Co., of New York, while in conversation with Mr. Gittings, assistant to the trade adviser of the State Department, was advised by Mr. Gittings that a cablegram had been received by the State Department indicating that there was a surplus of sugar in the Argentine, and Mr. Gittings urged Mr. Franklin to call at the Department of Justice and talk with members of the department relative to the importation of sugar from the Argentine.

Mr. Franklin complied with the request the same day and talked with Mr. Newton, assistant to Mr. Figg, on the sugar situation. Later, about May 6, Mr. Linn, a Washington representative of the American Trading Co., wired Mr. Franklin that Assistant Attorney General Figg desired to see him in Washington. Mr. Franklin responded to the request and on May 7 interviewed Mr. Figg on the sugar situation. Mr. Figg, according to his own testimony in the hearings and the testimony of Mr. Franklin, informed Mr. Franklin that the Department of Justice desired to have purchased some of the surplus sugar in the Argentine and import the same to the United States for the express purpose of lowering the price of sugar here, and requested the American Trading Co. to act as the purchasing agent of the Government in the transaction. No definite arrangement was made at that time, because Mr. Franklin wanted the United States Government to find out definitely that the Argentine Government would modify the existing embargo at our Government's request. However, on May 12, 1920, Mr. Franklin received a letter from Mr. Figg, from which the following quotation is taken:

> After talking this over with your representative, Mr. Linn, and Mr. Giddings, it was deemed advisable that your agent already on the ground should be advised to contract for or buy as much of the entire surplus as possible before any further request was made that the embargo be lifted, as, of course, upon the general knowledge that this has been done will create a speculative market.
>
> I have made arrangements with very large interests to handle all or any part of this sugar that we may indicate, our principal idea being, first, to secure sugar for the United States; second, to secure the sugar at the lowest possible price; and, thirdly, to control or indicate the channels of distribution after arrival here.
>
> * * * * * * *
>
> I hope you will give this your immediate attention, as we must work very rapidly to beat the speculators in the market.
>
> Yours very truly,
>
> HOWARD FIGG,
> *Special Assistant to the Attorney General.*

In answer to this request of the Special Assistant to the Attorney General, the American Trading Co. wired their Argentine office to begin buying sugar at a price not to exceed $300 a ton, and arranged for the proper credit with their bankers to take care of the transaction.

About this time or later the Department of Justice, entirely independent of their dealings with the American Trading Co., approached the B. H. Howell, Son & Co. and requested them to assist the Department of Justice in the distribution of the sugar in the United States, for which importation arrangements had been made with the American Trading Co., and later an agreement was made with the American Trading Co. that the Department of Justice would allow them a commission of 1 cent a pound for importing the sugar, and an agreement was also made with B. H. Howell, Son & Co. that the department would allow them a commission of 1 cent a pound for distributing the sugar after its arrival. Had these companies been able to have carried out their part of the transaction with the greatest expedition and marketed their sugar before the break in the price came neither of them would have made a net profit on the transaction of to exceed one-half cent a pound and probably not more than one-fourth cent a pound, after allowing for the overhead expenses of handling the business.

About the middle of May Mr. Franklin, of the American Trading Co., conferred with Mr. Figg, of the Department of Justice, and Mr. Gittings, of the Department of State, and among other things requested them to arrange for the lifting of the Argentine embargo so that the sugar purchase could be brought to this country. On May 13 Mr. Figg wrote the State Department asking them to arrange for the lifting of the sugar embargo, and the State Department cabled this message to the American ambassador in the Argentine:

> The American Trading Co. has been appointed purchasing agent by the Department of Justice and is being instructed by that department to obtain quietly as many options as possible before the market is aware that the embargo has been lifted in order to avoid unduly high prices; otherwise it will be impossible to buy Argentine sugar.

Note that in this cablegram, and this same expression is contained many times in the official correspondence passing between the two Governments, copies of which are in possession of the Agriculture Committee, the American Trading Co. was designated as the purchasing agent of the Department of Justice. On June 8, 1920, the State Department again cabled the American ambassador in the Argentine, asking him to confer with the President of the Argentine and arrange for a satisfactory lifting of the embargo.

This was finally done, and on June 23 the necessary license was issued for the importation of the sugar to this country, and in that license the following language was used:

> That the necessary permission be given to the American Trading Co., purchasing agent for the Department of Justice of the United States of America, to export to the said company 13,909 tons of sugar of national production.

Please observe that in the permission given to the American Trading Co. by the Argentine Government the words are used, " purchasing agent for the Department of Justice of the United States of America."

Owing to the long delay of the State Department in securing the lifting of the Argentine embargo and as a result of the large publicity given throughout this country to the pending importations of sugar the American Trading Co. was only able to sell 5,118 tons of the 14,209 before the break in the sugar market came.

Mr. Zabriskie, president of the United States Sugar Equalization Board and the best informed sugar man in the United States, has expressed it as his judgment that the importation of this Argentine sugar was one great factor in breaking the sugar market in this country which saved the American people hundreds of millions of dollars. The same view is expressed by Assistant Attorney General Figg and by Judge Glasgow, a member of the Sugar Equalization Board and attorney for that body. When the sugar market broke the American Trading Co. applied to this Government for permission to resell the sugar they had been unable to import to this country because of the delay in lifting the Argentine embargo back to the Argentine Government, as sugar had risen in price there, and offered to resell the sugar to the Argentine Government at a price that

would not have given them more than the 1 cent profit per pound which had been agreed on with the Department of Justice.

The company was refused permission to resell in the Argentine and directed to bring all of the sugar to the United States, and as a result of the entire transaction these two companies, the American Trading Co. and B. H. Howell, Son & Co., have lost approximately $2,500,000.

The Sugar Equalization Board still has several million dollars that have not been turned in to the United States Treasury, and it is the unanimous opinion of that board that the American Trading Co. should be reimbursed for the loss sustained while acting as purchasing agent for the Department of Justice, the only question with the members of the board being that owing to the time that had elapsed and the attempted winding up of the affairs of the board at the time the question of reimbursement of the American Trading Co. and B. H. Howell, Son & Co., was proposed the board should have a definite authorization from Congress to take over the transaction and reimburse these companies for their actual losses.

The American Trading Co. and B. H. Howell, Son & Co. are not asking for any profit on this sugar transaction; they are only asking that the Sugar Equalization Board be authorized to take over the transaction, audit their accounts, and repay the companies for the actual losses sustained.

It should be borne in mind in the consideration of this transaction, that the American Trading Co. and B. H. Howell, Son & Co., acted throughout under the instructions of the State and Justice Departments, and that they were forbidden to make any move on their own account in the matter. When it came to the distribution of the sugar, B. H. Howell, Son & Co. was not permitted to go into the open market and make sales but were authorized by the Department of Justice to sell only to such persons and firms as the department might designate. Had these companies, after entering into the agreement with the Department of Justice to import and distribute Argentine sugar, been permitted, when they experienced the delay on account of the embargo, to go ahead and distribute the sugar in any manner that they might discover which would make them whole or nearly whole they could have saved a part of the loss, but they were restricted and circumscribed on every hand by the requirements of the department.

The testimony shows that all of the witnesses from the State and Justice Departments, as well as the attorney for the Sugar Equalization Board, testified that the claim of the American Trading Co. and B. H. Howell, Son & Co., constituted the very strongest possible moral obligation on the part of the United States Government, and in their judgment closely approached, if not fully constituted, a legal obligation as well.

In the case of the United States *v.* Realty Co., reported in One hundred and sixty-third United States, 427, at page 440, Mr. Justice Peckham says:

> Under the "provisions of the Constitution (Article 1, section 8) Congress has power to pay the debts" of the United States * * *. What are the debts of the United States within the meaning of this constitutional provision? It is conceded, and indeed it can not be questioned, that the debts are not limited to those which are evidenced by some written obligation or to those which are otherwise of a strictly legal character. The term "debts" includes those debts or claims which rest upon a merely equitable or honorary obligation, and which would not be recoverable in a court of law if existing against an individual. The Nation, speaking broadly, owes a "debt" to an individual when his claim grows out of general principles of right and justice; when, in other words, it is based upon considerations of a moral or merely honorary nature, such as are binding on the conscience or the honor of an individual, although the debts could obtain no recognition in a court of law.

Congress followed this decision of the Supreme Court in its amendment to section 5 of the act approved March 2, 1919, entitled, "An act to provide for relief in case of contracts connected with the prosecution of the war and for other purposes," in providing for the reimbursement of those who produced certain ores or minerals needed in the prosecution of the war as a result of requests made by the Government.

I have in my possession 100 pages of copies of letters and cablegrams that passed between our State Department and the Argentine Government covering the negotiations in this entire transaction, in which our Government repeatedly refers to the American Trading Co. as the purchasing agent of the Department of Justice of the United States, and as has already been shown the permit issued for the exportation of this sugar from the Argentine to the American Trading Co. designates them as the purchasing agent of the United States Government, showing that both Governments had the understanding throughout the transaction that the American Trading Co. was the purchasing agent of the Department of Justice.

The American Trading Co. went ahead in good faith throughout the whole transaction in the belief that they were the purchasing agents of the United States Government. This company had not been in the business of importing sugar before entering into this transaction, nor have they been importing sugar since that time, but the testimony all shows that they entered into the matter in good faith at the request of the Government departments for the purpose of assisting the Government in its efforts to reduce the high prices of sugar that were being charged at the time.

It has been argued by some of those who oppose this resolution that certain members of B. H. Howell, Son & Co. have been prosperous and that they are in possession of considerable means. Such argument is entirely irrelevant, as anyone with an ordinary sense of justice must agree. The question of the right or wrong of a claim, if properly considered, can not take into account whether or not the person or persons to whom money is justly due are worth $1 or $1,000,000. The claim should be settled wholly on its merits, as evidenced by the testimony.

In conclusion, Mr. Chairman, let me remind the House again that the question of the reimbursement of the American Trading Co. and B. H. Howell, Son & Co. for the actual losses sustained in this transaction was unanimously approved by the Senate Committee on Agriculture and Forestry, passed twice by a 2 to 1 vote in the Senate, has been twice favorably reported by the House Committee on Agriculture, has been approved, so far as the justice of the claim is concerned, unanimously by the Sugar Equalization Board, by the Departments of State and Justice of both the former and the present administrations; and when we take into account that the United States Government cleared upward of $30,000,000 on its sugar transactions during the war emergency and that this Government called these companies to its assistance in an effort to curb the high price of sugar in the Unietd States, and that these companies worked faithfully and constantly with the departments all through the transaction, and as a result of delays occasioned by the Government and restrictions placed on the companies by the Government and sustained an actual loss in the neighborhood of $2,500,000, it does not seem possible to me that this body can render a decision to the effect that these private companies must lose $2,500,000 in this transaction when the United States Government has cleared between $30,000,000 and $40,000,000 on its sugar transactions during the war.

I therefore hope and believe that the House in its effort to mete out pure justice to these companies will join with the other bodies and departments that have passed on the resolution favorably in authorizing by a liberal majority the Sugar Equalization Board to take over this transaction and reimburse the American Trading Co. and B. H. Howell, Son & Co. for the losses they have sustained and for which rembursement they have waited long and patiently.

Mr. WARD of New York. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, my only caution here is not to allow prejudice against a thing that might be a question whether it should have been done or not, to determine justice in a contract. I was one of the Members of the House that thought the dealings in the sugar matter of a prior administration was subject to criticism. Whether there was a mistake on the part of Attorney General Palmer or not is not a question to-day as to the obligation of this contract, and whether what he did in an earlier day on the sugar dealings was the cause of the scaling of the price of sugar upward was a subject of criticism or not, this much must be said, that when the price was going skyward he took this plan as his method by which he could break that scaling price; and if the first thing done, including the failure to buy the sugar crop in Cuba, was a mistake, certainly this thing of breaking the price was not a mistake. He took this method by which when sugar was selling at 30 cents a pound and promising to go yet higher the price could be brought down. The price was brought down and the people got the benefit of it. The mere announcement that the United States was about to purchase the Argentine crop was enough to break the price.

Mr. JONES of Texas. Will the gentleman yield?

Mr. FESS. No; I can not yield; I have only four minutes. My young friend who has just asked me to yield is one of the most sincere Members in the House. I always listen to him with interest and usually with profit; but I think he has made a terrific indictment of a Democratic Attorney General, an indictment of a Democratic Secretary of State, an indictment of the Republican Attorney General, an indictment of the Re-

publican Secretary of State, an indictment of the Sugar Equalization Board, an indictment of the membership of the Senate, which twice passed this bill, and an indictment of the Agricultural Committee of this House.

I can not be made to believe that all of the people are either purposely wrong or unwittingly in error. I can not believe that they are subject not only to the charge of legal misinterpretation but also to the charge of moral turpitude. I started in on this matter against it because I did not like the procedure at the time. But after an examination of the record I am totally convinced that there is but one thing to do. The documents prove the Government's obligation. The Government can not afford to repudiate but should fulfill its contract whether in the onset it was a bad contract or not. [Applause.]

Mr. WARD of New York. Mr. Chairman, I ask the other side now to use its time, as I have only one more speaker.

Mr. JONES of Texas. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and forty-eight Members present, a quorum.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I assure you that I approach the discussion of this subject realizing the fact that I have no more responsibility in the matter than you have. I do try to discharge my duties and to be a faithful and diligent member of the Committee on Agriculture. If there has been a measure before this great committee since I have been a Member of this House that I have studied more than any other, it is this. I entered into these hearings with an absolutely open mind. I never heard of these gentlemen who are interested until they came before that committee. I want to present this thing to you as I see it.

First, what have you to pass upon? Here is a claim of the American Trading Co. and B. H. Howell & Co. for $2,500,000, to be taken out of the taxpayers' pockets. Oh, they say it will not come out of the taxpayers' pockets but that it will come out of the Sugar Equalization Board. They say that the Sugar Equalization Board made $98,000,000. They did. Where did that come from? It came out of the pockets of the consumers of sugar in this country, and I want that $98,000,000 to go into the Treasury of the United States, where it belongs, rather than into the pockets of a favored few. They have a claim of $2,500,000, De Ronde & Co. have a claim of $1,700,000, and Lamborn & Co. have a claim of $570,000. After hearing all of the evidence in all of these cases, I want to say to you now that the least meritorious of them all is that of the American Trading Co. and B. H. Howell & Co., and if you can allow their claims—and that is the first vote to be taken—then you will pass the least meritorious of the three claims.

Let us see how this came about. They talk about their being an agency of the Government. They were no more an agent to the Government than I am, either in law or in fact. It is stated here that the Secretary of State told the American Trading Co.—Mr. Franklin—about this sugar in the Argentine. These fellows were not amateurs in the business. They were not novices; they were not conscripted. They were out to make some money, and they took a chance on the assurance of the Government paying them 2 cents—one cent for Howell & Co. and the other for the American Trading Co.—and they lost; and I asked every witness who came before the committee, or some of my colleagues did, whether any agents of the Government, when they were talking about these contracts, ever said a word to the effect that if they lost in this transaction with the Government the Government would reimburse them to the extent of one red cent, and everyone of them said that there was nothing said about losses. I challenge you proponents of the bill to put your finger on a line of evidence where an agent of the Government ever said a word about reimbursing if there was a loss. Let me show you what Mr. Franklin said. Mr. Franklin was down here in the State Department on some other sugar matters——

Mr. WARD of New York. Oh, no sugar matters.

Mr. KINCHELOE. That is immaterial. He went there on private business.

Mr. WARD of New York rose.

Mr. KINCHELOE. I do not yield. He was down there on other business—it is immaterial what business—and Mr. McLaughlin asked the question, "Who first brought up the question of sugar from the Argentine." Mr. Franklin replied:

I am unable to say that. It was in connection with a discussion in the State Department as to duties, and we were asking about export and import duties, and the question came up then. I do not know but what I may have said there were sugars in the Argentine and sugars in Java, etc., and so on.

Mr. WARD of New York. Oh, read it all.

Mr. KINCHELOE. Wait a moment. Mr. Franklin said:

They suggested that we tell the Department of Justice about it—

Not the State Department. Mr. Franklin continues:

We told the Department of Justice about that transaction in April and then heard nothing from it until May 7, at which time we were called down here to the meeting. It was about April 20 when I was in Washington in connection with other matters.

Mr. McLAUGHLIN then asked the question:

How did this thing start, and how did it develop?

Mr. Franklin replied:

Well, it started as I have told you. In April we told the Department of Justice that this sugar was there, because of a conversation we had in the State Department.

Then the contract was made, and there was no agent of the Government behind it. They came down here and agreed, not like De Ronde or Lamborn, to get 1 cent a pound, but they wanted to make a killing. They said, "If you give B. H. Howell, Son & Co. 1 cent and the American Trading Co. 1 cent, we will go and buy it."

Mr. WARD of New York. Who said that?

Mr. KINCHELOE. I do not yield, and I am not making an incorrect statement. I know what I am talking about in this record.

Mr. WARD of New York. You can not show it in the hearings.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman from New York is out of order.

Mr. KINCHELOE. Mr. Chairman, I am trying to get some information before the committee.

The CHAIRMAN. The point of order is sustained.

Mr. KINCHELOE. Where did the State Department come in? If they had been agents of the Government, would not it have bought the sugar in the name of the Government?

Mr. WARD of New York. They did.

Mr. KINCHELOE. It did not. Would it not have sold it in the name of the Government? These people bought it in their own name in the Argentine and they sold it here in their own name. What did they do? They made their first purchase on the 13th of May, 1920. They made their last purchase, and here is the gist of this—the contributory negligence that I want to show you—they made their last purchase on the 22d day of May, completed this, 14,000 tons, and that very day, May 22, 1920, after they had made their last purchase in the Argentine, the Argentine Republic raised their embargo.

What was that embargo? The State Department never had been called in then, no agency up to this time. They raised that embargo, saying that anyone could export to the extent of 100,000 tons of Argentine sugar to any party in the world, provided, what? That those exporters deposited 30 per cent of that export amount in pilet sugar there. Why? Because if that export caused a rise in sugar the Argentine Republic would have 30 per cent to protect their own consumers. Sugar did not decline a cent in this country until the 13th of July, nearly two months afterwards. If B. F. Howell and the American Trading Co. had shipped 14,000 tons prior to the 22d day of May, the day the Argentine Government raised the embargo, they could have taken 70 per cent of that sugar and sold it, every dollar's worth, in the United States and got their 2 cents a pound profit.

Mr. WARD of New York. Will the gentleman yield?

Mr. KINCHELOE. No. They could have disposed of 30 per cent of pilet sugar in Argentina at a bigger price than it would have sold here.

Mr. WARD of New York. Will the gentleman yield?

Mr. McSWAIN. Mr. Chairman, I make the point of order that the speaker is entitled to protection under the rule.

Mr. KINCHELOE. I am trying to get a connected statement before the committee if I can.

The CHAIRMAN. The point of order is sustained.

Mr. KINCHELOE. Why would they not do that? They wanted to make a clean-up. No coalition now with the State Department. Why do I say this claim is not as just as De Rondo and Lamborn? The De Rondos took advantage of the embargo, and so did Lamborn. The way they got stung was they did not agree to buy this sugar until several months after the American Trading Co. had. To show you, Lamborn did not agree to buy this sugar until the last of June, and yet he got his sugar at New York eight days before De Rondo & Co.'s sugar left the Argentine, four weeks before the American Trading Co. shipped a pound. What is it that the American Trading Co. and B. F. Howell wanted to do? They wanted to make a clean-up. They said, "Oh, no; we will not comply with the regulations of the Argentine Republic by the deposit of 30 per

cent of pilet sugar. We will go over to the State Department and we will get the State Department as an intermediary and we will ask them to ask the Argentine Republic to raise the embargo, without any restrictions at all, so we can get all of our sugar on the market and make a clean-up of 2 cents profit." And they finally got the State Department to intercede. It did intercede, and before the embargo was finally raised the crash came on July 23. Now, let me show you. Who asked the Department of State to intercede? Mr. Franklin, to make this clean-up. He wrote a letter on July 29, and in answer to that Mr. Figg, of the Department of Justice, who interceded in his behalf to the Department of State—let us see about this agency. Now, here is what Mr. Figg says:

He also brought to my attention a matter of seeming interest to you, and that was that if any portion of this sugar was sold in the Argentine it would be a ruination to the American Trading Co. or any other American interests that might be involved as well as a very serious thing for the United States Government.

Further Mr. Figg says:

I do not feel that there is an opportunity for you or the B. H. Howell Co. to lose any money on this transaction, but that you will find a ready sale for the sugar on its arrival here. I have been assured by a great many dealers over the country that they are ready to buy on delivery, but would not contract ahead of time. I not only think there will not be any loss, but that your profits will be the same as you expected from the start.

So they would still make a profit. Now——

Mr. J. M. NELSON. Will the gentleman yield for just one question?

Mr. KINCHELOE. Just a question.

Mr. J. M. NELSON. Is it the gentleman's contention that these parties were not the agents, but the Government was helping them?

Mr. KINCHELOE. At their urgent solicitation; yes. The man behind the gun was Mr. Post, of the American Trading Co. Let me show you. He is interested in 14 sugar companies in Cuba, in Java, and in the Argentine.

He is a member of the B. H. Howell, Son & Co. partnership. For months, when raw sugar was selling at 21 cents a pound in this country, when they were robbing the American consumers to the extent of 35 cents a pound retail for refined sugar, this Mr. Post—the brains behind all these concerns, the brains that have conducted this lobby in Washington, the most insidious since I have been a Member of Congress [applause]—is a member of 14 companies, companies that made untold millions of dollars of profits, which came out of the pockets of the husbands and housewives of this country, taking advantage of the situation and selling the sugar at 35 cents a pound, he comes before the committee and says, in substance, that love of country caused him to buy this sugar. Let me read to you what I asked Mr. Post. I read:

Mr. KINCHELOE. Mr. Post, I want to try to get your viewpoint as a business man, if I can, of this transaction. I am frank to say I do not understand it. Of course, the purpose of the purchase of this Argentine sugar to bring to this country was to break the market. That is conceded here. That was the purpose of it, to break the market for the benefit of the consumers of America. You, of course, knew that?

Mr. POST. That was the purpose of it; yes.

Mr. KINCHELOE. Now, with your holdings of sugar in Cuba, and with the war over, eliminating the patriotic end of it, knowing that the purpose of buying this Argentine sugar was to break the market, I can not understand your viewpoint as a business man. I can not understand why you should go into an arrangement of that kind unless you felt that the profits you would get out of the Argentine purchase would yield a greater dividend than you would get from your sugar in Cuba. What was really your purpose in it?

Mr. POST. In the first place, B. H. Howell, Son & Co. never owned any sugar; we are commission merchants.

Mr. KINCHELOE. But the more sugar you handle the more you make?

Mr. POST. We get a commission; yes. We had not got over the feeling of loyalty to the Government that we had in the war, and the feeling that we ought to cooperate in every way we possibly could. That may seem very strange to you, but that was our purpose.

By the eternal gods, it seems awfully strange to me that the man who was making millions out of his 14 other companies by robbing the American people would go in for a philanthropic purpose of breaking the market on his own sugar, out of which he was making those millions. [Applause.] Why, of course, there are inequalities in war. War is a conglomeration of inequalities and a multiplicity of iniquities. Gentlemen, you no doubt know men in your districts who were wholesale dealers who lost thousands of dollars by buying sugar at a high price when this slump came.

They say this 13,000 tons of sugar brought up here broke the sugar market. The American people at that time were consuming 100,000 tons of sugar per week. They were consuming over 14,000 tons a day. Yet B. H. Howell, Son & Co. and the American Trading Co., with their 13,000 tons—not so much as the American people consumed in a day—are said to have broken the market, and you must take the money out of the Treasury and pay it to them. There were wholesale and retail dealers in your districts who lost money and became bankrupt after the slump came. What will you say to them? What will you say to the good housewives who bought the sugar at 35 cents? What will you say to the American consumers who contributed their untold millions to Post and his 14 sugar owners? Will you say, "Notwithstanding the American people contributed to you all these millions, notwithstanding you robbed the American people for months and months, notwithstanding you went into this scheme at your own risk and lost, notwithstanding all that, we will not only contribute the millions that we gave you when sugar was sold at 35 cents a pound, but we will take $2,500,000 of the taxpayers' money out of the Treasury of the United States and make one favorite of you"?

Gentlemen, these are private bills. They came on the calendar by a majority vote of the Committee on Agriculture. They went on the calendar of the Committee of the Whole House on the state of the Union. They hammered and hammered the Committee on Rules in May until that committee brought out a rule. At that time the Committee on Rules were kind enough to give us three hours to permit a discussion of this matter. These people have had their day in court. To my surprise, when those three hours on that day in May had been consumed, instead of rising and reporting the resolution favorably, they rose without taking action on the resolution and quit. [Applause.]

Why did you quit? You knew you were "beaten to a frazzle." I can understand where elections change the political complexion of the personnel of the House of Representatives but I can not understand how elections changing the political personnel of the next House will change the settled convictions of the personnel in this House. [Applause.]

I do not believe you will do it. So far as I am concerned, I am no better than you are. I am no more honorable than you are. I owe no more responsibility to my district than you do to yours; but, by the eternal gods, when my service in this House ends I am going to hand back the commission that the people of that congressional district gave me as unsullied as it was when it was placed in my hands, and I believe that every other Member of the House wants to do that same thing. [Applause.] I ask you, if that is true, how in good conscience you can say to these sugar dealers, worth millions, who went into the game—who went in for profit—and were unfortunate enough to lose, "We will make you whole," and then say to the retail sugar dealers in your districts, "You have met a loss, but let it go"? During the war appeals went out to the farmers of the country, "Raise more wheat, raise more hogs, raise more foodstuffs." You went to the retailers and said, "Buy more wheat." It was then selling at $3 a bushel. Many people bought millions of dollars' worth of it at that price. The Government came on—and I am not criticizing anybody—and reduced the price to $2.20 a bushel. That difference was lost by these men who bought up sugar in order to win the war.

Are you going to say, "Let us treat all alike"; or are you going to say, "Let us take these people up and reimburse them for their loss"?

I would like to know upon what meat the B. H. Howell, Son & Co. and the American Trading Co. feed that makes them so great. How can they come and have the Rules Committee bring in a resolution which, after discussion, is beaten, and then come back with a rule allowing only 30 minutes to a side, to appropriate $2,500,000 of the taxpayers' money?

Mr. BLANTON. And this same reaction bankrupted 60 per cent of the sheepmen and cattlemen at that time?

Mr. KINCHELOE. Yes. There had to be sacrifices during the war. It applied to every home in this Republic. It left a vacant chair at 50,000 firesides in this Republic—50,000 mothers made the sacrifice of their sons on the altar of their country, at the same time paying 35 cents per pound for sugar brought to this country by concerns in which Mr. Post was interested, and, as one Member of Congress, I am not going to vote for this measure that asks those mothers and their husbands to dig down in their pockets and help pay these concerns $2,250,000 to reimburse them because they took a chance to make hundreds of thousands of dollars and lost. I ask you, gentlemen, in good conscience, whether you can say to the American Trading Co. and to the B. H. Howell Co. that you will discriminate in their favor? Let them share some of the hardships with the mothers and fathers who are mourning by reason of the vacant chairs around their firesides as a sacrifice to the war. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. WARD of New York. Mr. Chairman, I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized for 10 minutes. [Applause.]

Mr. MONDELL. Mr. Chairman, I feel a sense of responsibility in this matter, because when a resolution similar to this was favorably reported in the Sixty-sixth Congress and those who favored it and those who opposed it were asking, on the one hand, that a rule be given for its consideration, and, on the other hand, that there should be no rule, it became my duty to consider the matter, in order that I might advise with the gentlemen of the Rules Committee who asked my advice. I then read all of the testimony carefully. I talked with the members of the committee, those who were favorable and those who were unfavorable, after which I said to the chairman of the Committee on Rules, "I am inclined to think these gentlemen have a good case, but I do not believe they have fully established their case before the committee." I said to Mr. Franklin, "I am inclined to believe that there is an obligation on the part of the Government that should be met, but I do not believe your case has been presented to the committee clearly enough that I may properly advise that a rule be given for its consideration." And so the matter was not considered at that time and was again presented to the committee and presented logically and clearly. The facts were presented from the beginning to the end of the transaction in logical sequence.

I wish to say that it is my deliberate judgment that if there is not in this case a moral, equitable, and legal obligation, then there is never any obligation on the part of the Federal Government save under a written contract clearly and beyond all question made under a specific provision of law. This is more than a moral obligation. It is more than an equitable obligation. It is an obligation that unquestionably would be legal if the Secretary of State under the Wilson administration, if the Secretary of State under this administration, if the Attorney General under the Wilson administration, if the Attorney General under this administration had as the responsible managers of a private corporation in behalf of and in the name of the corporation done what they did in the name of the Government in this case. There is no escape from this obligation unless we are willing to say that, so far as we are concerned, no obligation of this Government should be met and paid unless it is so clearly and definitely legal under our form of government and law that the claimant may obtain relief in a court of law. We know that there are valid obligations which the Government ought not to attempt to escape toward the establishment of which the claimant can not have recourse to the courts. At the close of the war we made valid innumerable informal contracts and agreements that had been entered into during the war period, and under that legislation hundreds of millions of dollars of obligations were met. It is possible that in passing upon those obligations those charged with responsibility were not always wise and were not always sufficiently careful to guard the interests of the Government.

I do not pretend to say. I do know that it was necessary for us to pass that law or stand before the world as a Government that repudiated its obligations. Ah, like the gentleman who just took his seat [Mr. KINCHELOE], I hope that when I leave this House after my years of service I can leave it with a clear conscience; but I can not leave it with a clear conscience if I shall stand here in my place and preach repudiation of Government obligations. Either this obligation is binding upon the Government of the United States or two Secretaries of State under two administrations, two Attorneys General under two administrations, the men designated by the Departments of Justice and of State to study the case under two administrations, and those who have been officially brought into contact with it are all wrong, all prejudiced, and all controlled by unworthy motives. I am not ready to say that those men, charged with great responsibilities, did not realize their obligations to the people of this country under their oaths of office, were not sufficiently versed in law and commercial usages to recognize what constitutes a national obligation. It is all very lovely for gentlemen to be able to say, "Oh, well, I do not have to vote for a thing of this kind, and I will escape all criticism at home if I can just say, 'No; I had some doubts about those sugar claims, and so I voted to turn them down.'" I do not desire to return to my constituency laying any such unction as that to my soul. I prefer to go saying, "This obligation was presented to me. It is vouched for by the men responsible under my Government to pass judgment on it. I have read the record. I know the facts. I believe there is an obligation that ought to be met, and I propose to help meet it." [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired. All time has expired. The Clerk will read the joint resolution.

The Clerk read as follows:

*Resolved, etc.*, That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation, American Trading Co., and the copartnership, B. H. Howell, Son & Co., a certain transaction entered into and carried on by said corporation and copartnership at the request, under direction, and as agents of the Department of Justice and Department of State, which transaction involved the purchase in the Argentine Republic, between the 13th day of May, 1920, and the 22d day of May, 1920, of 13,902 tons of sugar, the importation thereof into the United States, and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them, or either of them, in said transaction; and for this purpose the President is authorized to vote or use the stock of the corporation held by him or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: On page 2, line 18, after the word "resolution," insert the following proviso: "*Provided*, That the United States Sugar Equalization Board shall not pay anything in the way of profits to the American Trading Co. or to B. H. Howell, Son & Co. in such transaction."

Mr. JONES of Texas. Mr. Chairman, there is a provision in this resolution that is a little uncertain. It authorizes the Sugar Equalization Board to dispose of any of said sugar so imported remaining undisposed of and to liquidate or adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises.

That is followed by a provision which authorizes the board to pay to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them; but that does not limit them in the way of profit. It does not limit the previous grant of power to adjust it in any way they see fit. It authorizes them to pay the actual loss, but it does not prevent their paying profits or commissions. It seems to me there should be no doubt in the premises in any event, and that it ought to be limited to the actual losses sustained and authorize them to pay the actual losses only.

Now, I want to call attention just in this connection to the assumption that has been made here all along that this is a contractual obligation. Gentlemen, if this were a contractual obligation this claim would be in the Court of Claims and not before the House of Representatives. The attorney for B. H. Howell & Co. admitted that there is no legal obligation. If we are to adopt a policy of paying moral obligations, let me call your attention to this: During the war wheat was $2.90 a bushel. The elevator men had their elevators filled with wheat for which they paid $2.90 a bushel, and the farmers had wheat worth that amount. Overnight the Government fixed the price at $2 a bushel and turned round and said to the elevator men and to the farmers, "You sell your wheat for $2 a bushel, although you paid $2.90 a bushel." The corporation made $89,000,000 in profit. There are millions of dollars in claims in the Agricultural Committee in wheat transactions. If you are going to pay moral obligations, if you adopt that as a general policy, you might as well build a new Treasury Building and get your printing presses and go to work printing the bonds.

Now, as to this proposition involved here, the board is authorized to adjust the entire transaction in such a manner as may be deemed by said board to be equitable and proper. I take it that they could award them any kind of a profit they thought was just and reasonable. It can award them any actual losses that they think was sustained by the companies. They might consider commissions and profits to be just and reasonable under the circumstances.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MONDELL. Mr. Chairman, I do not know just what the purpose of the gentleman from Texas is in offering this amendment. I assume that he has no thought of endeavoring to make the House of Representatives appear ridiculous, and yet that is exactly what would be accomplished if his amendment was

adopted. The resolution provides that these transactions shall be investigated, with a view to paying to the corporations such sums as are found to represent actual losses. I wonder just what that board would think if they had a measure presented to them that in one line said they should pay the sum which represented only actual losses and in another part that they were charged to pay no profits. At least, they would not have a very high regard for the intelligence of the House of Representatives.

Mr. Chairman, I do not want to charge any sinister motive to the gentleman from Texas, and I would not do that, for I am sure he is perfectly honest, though not wise in this amendment that he offers. Is it possible that somewhere between the actual losses and a denial of profits there is a sum that might be paid under this amendment? I am frank to say that offhand I can not discover that there is any space between these two propositions, but if there is any reason on earth for this amendment it would be on the theory that there is a sum somewhere between actual losses and profits, and under the amendment the Trading Co. would get the difference. So that the gentleman from Texas has offered an amendment that seems ridiculous on its face, and if it means anything at all it means that he proposes to give the Sugar Equalization Board authority to pay more than could be paid under this resolution, to wit, some uncertain sum existing between their losses and a possible profit.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Texas.

The Clerk read as follows:

Amendment to the amendment by Mr. BLANTON: At the end of the Jones amendment add the following: "*Provided further*, That the President shall take into consideration all other sugar holdings and profits thereon controlled by any officer connected with the corporations mentioned herein in determining any losses sustained."

Mr. CAMPBELL of Kansas. Mr. Chairman, I make a point of order.

Mr. MONDELL. I reserve a point of order.

Mr. CAMPBELL of Kansas. I make the point of order on the ground that he can not add the settlement of other claims to the one involved here.

Mr. BLANTON. It clearly deals with this general subject.

Mr. CAMPBELL of Kansas. It deals with sugar, but with other sugar claims. This point, Mr. Chairman, has been decided so many times in the House——

Mr. STAFFORD. Mr. Chairman, may we have the amendment again reported?

Mr. BLANTON. I think it is clearly germane and a proper limitation.

Mr. CAMPBELL of Kansas. It is not a limitation; it provides for other sugar claims than the one under consideration. It is like an amendment to build another battleship or do other similar work which can not be done.

The CHAIRMAN. The gentleman from Wisconsin asks that the amendment be again reported. Without objection, the Clerk will again read the amendment.

The Clerk again reported the amendment.

Mr. BLANTON. Mr. Chairman, what is the purpose of this resolution? It is to pay alleged losses to these two corporations, which it is alleged were agents of the Government in the sugar transaction. It is alleged that these officers by reason of the sugar transaction in connection with buying and distributing sugar in the United States suffered a loss. Now, if, as a matter of fact, these men in other sugar transactions which they simultaneously carried on made profits, why should not the President take them into consideration? It is clearly germane; it is clearly a limitation to the authorization given the President, and clearly in order under the precedents of the House.

Mr. SANDERS of Indiana. May I inquire whether the gentleman from Kansas made his point of order that this is not germane to the amendment offered by the gentleman from Texas?

The CHAIRMAN. The Chair so understood the gentleman.

Mr. SANDERS of Indiana. If that is the point of order it seems to me the amendment offered by the gentleman from Texas [Mr. BLANTON] is clearly a matter of entirely different transactions than the one mentioned in the amendment of the gentleman from Texas [Mr. JONES]. It seems to me the gentleman's amendment would be germane to the resolution, but it certainly is not germane to the amendment offered by the gentleman from Texas [Mr. JONES]. Mr. JONES's amendment deals with the whole question whether you can take into consideration the profits.

The amendment offered by the gentleman from Texas [Mr. BLANTON] is certainly not germane to that proposition, and since it is offered as an amendment to an amendment it must not only be germane to the resolution, but it must be germane to the particular amendment to which it is offered.

Mr. BLANTON. It just points out to the President the manner in which he shall proceed in passing upon both the resolution and the amendment offered by my colleague.

The CHAIRMAN. The Chair is ready to rule. It is very clear under the rules of the House that a specific subject may not be amended by a provision general in nature, even when of the class of the specific subject. This amendment deals with a class and the resolution deals with a specific item. The amendment of the gentleman from Texas [Mr. JONES] prescribes that the money shall not be paid to these two specific claimants. Therefore, in the opinion of the Chair, this second amendment, dealing with other subjects, is not germane to the amendment of the gentleman from Texas, and the Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I can not agree with the distinguished floor leader when he says that the amendment of my colleague [Mr. JONES] is ridiculous and that he is unwise, that it has not any bearing on the subject. It may so appear to the floor leader, but lots of things appear to him one way and to other people differently. It has been suggested here that the Government promised these agents 2 cents per pound profit—1 cent per pound profit to the American Trading Co. for buying and 1 cent per pound profit to the distributing company for distribution. That is 2 cents per pound profit that is claimed they were to receive on this sugar transaction.

Mr. McLAUGHLIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. When my colleague [Mr. JONES] proposes by his amendment that you can not consider this 2 cents per pound profit, you can not consider anything but paying back actual loss, why is it not a wise proposition? Why is it ridiculous?

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Why is there not wisdom in it? What is there about it that is ridiculous, except the floor leader's effort in trying to get the amendment out of the way? The truth of the matter is that my colleague has proposed an amendment that stands in the way of these fellows getting 2 cents per pound profit.

That 1 per cent was, of course, a slip of the tongue. I meant 1 cent per pound. There is nothing in the hearings about this big lobby that has been behind this proposition since last May, and yet the lobby is here, and though we thought the proposition dead, we find now that it has been actively slumbering until the gentleman from New York [Mr. SNELL] and his Rules Committee have brought it in once more with new life, and under the whip and lash they are going to pass it here in a few minutes. When you people go home, all of you, and face your jobbers in your districts, and face your retailers, every one of whom were caught with high-priced sugar and lost money, try to explain to them if you can why you gave two and a half million dollars to these two corporations and left them at home up in the air with the bag to hold. You can not explain it to them or to your consumers, and you are going to have trouble when you go home. You western fellows, try to explain to your sheep men and your cattle men, who when this same reaction came, were bankrupted, to the extent of 60 per cent of them. Why, there were millionaires then who are now not worth a cent. You will have to explain this proposition to them, and all of the ingenious argument that the gentleman from Kansas [Mr. CAMPBELL] and the distinguished floor leader put up here to whip you into line is not going to brush away that feeling of dissatisfaction. You had better think about it before you vote for this resolution.

Mr. MONDELL. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. HAUGEN. Mr. Chairman, I am not asking for time for the purpose of opposing the amendment, but I desire to correct a statement. The statement has been made that the Government should make its contracts good, and that a vote against this resolution is a vote of repudiation. I desire to call the attention of the House to the fact that there were no contracts. The question is, Shall we accept the statement of gentlemen who have spoken or shall we accept the statement of the Attorney General and of Mr. Figg and the claimants themselves? I desire to read from the record. Mr. PURNELL asked:

Was there anything said to you by Mr. Figg or any other representative of the Department of Justice that would lead you to believe that the Government would take care of you in case there was a loss sustained?

Mr. FRANKLIN. No, sir.

Will you accept Mr. Franklin's statement or the statement of the gentleman from Wyoming [Mr. MONDELL] or the statement of the gentleman from Ohio [Mr. FESS]? What does the Attorney General have to say? Let us see:

Mr. PURNELL. Do you know whether there was any arrangement of any kind made whereby they were to be protected against any loss.
The ATTORNEY GENERAL. No, sir.

Do you accept the statement of the Attorney General or the statement of somebody else?

Here is another:

Mr. TINCHER. So they were to have the same profit other men were to have in handling sugar, so far as you are able to enforce your ideas of the Lever food control law?
The ATTORNEY GENERAL. That is correct. Of course, we could not control all.

Further, Mr. Franklin was asked by the chairman:

Have you a contract with the Government guaranteeing you against loss?
Mr. FRANKLIN. No, sir.

Mr. Armstrong, attorney for the claimants, stated:

At the time we undertook the purchase of these sugars no arrangement had been made for compensation for our services.

That is the statement of the attorney, the statement of the claimant, and the statement of Mr. Figg, who represented the department, and the statement of the Attorney General, and there are numerous other statements.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ROACH. If I understood the gentleman who had the floor a moment ago, he said the Attorney General stated there was no legal liability for these claims.

Mr. HAUGEN. Absolutely.

Mr. ROACH. I call the gentleman's attention to the hearings, on page 13, to a letter from the Assistant Attorney General, signed Guy D. Goff, in which he makes this statement, and this letter is addressed to the gentleman as chairman of the Committee on Agriculture:

The Attorney General expressed the view before the committee that there was an undeniable moral obligation, and in his opinion a legal obligation upon the Government.

Mr. HAUGEN. But I have just read the statement of Attorney General Palmer.

Mr. ROACH. And I am reading the Attorney General's letter as addressed to the gentleman.

Mr. HAUGEN. I am quoting the Attorney General from his testimony before the committee.

Mr. KINCHELOE. Will the gentleman yield?

Mr. HAUGEN (reading):

The chairman asked Mr. Figg what authority did that proclamation give you to buy or to sell or to guarantee any profits?
Mr. FIGG. We did not at any point have the power to guarantee against loss by that act.
The CHAIRMAN. Did the Government have any power to purchase or to guarantee against loss?
Mr. FIGG. I think not; no, sir.

Mr. KINCHELOE. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. KINCHELOE. Right there. Is it not the fact that Attorney General Daugherty came before the committee in person?

Mr. HAUGEN. Yes; and I am quoting from Attorney General Palmer.

Mr. KINCHELOE. And at first he thought probably there was a good legal claim, but before he got through and after considering it thoroughly he felt that there was no legal obligation, and he did not know whether there was any moral obligation.

Mr. ASWELL. He never said there was no moral obligation.

Mr. HAUGEN. The attorney for the Sugar Equalization Board, Mr. Glasgow, stated that in his judgment there is no legal obligation anywhere though there may be a moral obligation.

Mr. ASWELL. Does not the gentleman believe that a moral obligation of the Government is more binding than a legal obligation?

Mr. HAUGEN. I arose to correct a statement made that a contract was entered into.

Mr. ASWELL. And if the Government does not pay its moral obligations——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, I have an amendment which I desire to offer, but before that I ask that the pending amendment may be disposed of.

The CHAIRMAN. The Chair will recognize the gentleman in time after the disposition of this amendment.

Mr. MONDELL. Mr. Chairman, debate is closed at the end of 10 minutes, 5 minutes of that time being reserved for the gentleman from Indiana [Mr. SANDERS].

The CHAIRMAN. The Chair thought there had been no arrangement made.

Mr. MONDELL. I made the statement on the floor that the gentleman from Iowa and the gentleman from Indiana desired to speak in those 10 minutes.

Mr. BANKHEAD. Can the gentleman from Indiana get along with three minutes?

Mr. SANDERS of Indiana. I will try to do that, Mr. Chairman.

Mr. BANKHEAD. I think we ought to dispose of the pending amendment.

Mr. SANDERS of Indiana. I want to speak on the pending amendment.

Mr. MONDELL. The gentleman from Indiana is entitled to time to close discussion. So far the negative has had no opportunity to discuss this amendment. Discussion so far has been all in favor of the amendment.

The CHAIRMAN. The Chair thinks the best way he can solve this question is to allow the gentleman from Indiana to speak for three minutes.

Mr. SANDERS of Indiana. Mr. Chairman, of course the Committee of the Whole House on the state of the Union is not going to adopt the Jones amendment. The Jones amendment is made by a gentleman who is opposed to any of this legislation, and this committee, which favors the legislation, is not going in the last minute to adopt an amendment of the gentleman from Texas [Mr. JONES] which would confuse the whole issue, because the bill in itself makes this provision, and it absolutely safeguards every interest the gentleman mentions, in that it says:

To liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises.

So the Jones amendment would just confuse the whole issue, and this resolution ought to be passed in its present form, because we are in the closing days of the Congress and we ought not to compel this joint resolution to be taken back to another body.

This resolution ought to be passed. Anyone who has carefully read the hearings must be convinced that there is a moral obligation on the part of the Government of the United States to see that the board adjusts this claim. Of course, there is no legal obligation. If there were, gentlemen need not be here with this measure. It is a moral obligation to provide not for the payment out of the Treasury, but out of the funds of the Sugar Equalization Board made by the sugar transactions, and it does not come out of the Treasury at all. It is a moral obligation of the United States. The gentleman from Texas [Mr. BLANTON] says we can not go back and face our constituents if we meet this moral obligation of the United States. I do not know what kind of constituents the gentleman has in his district, but I prefer to go back and meet my constituents and say to them that in the aftermath of the great war a Republican administration which succeeded a Democratic administration undertook to carry out the obligations which the officers of that Democratic administration made during that war, and we did not stop to quibble as to whether we are absolutely bound legally to do it or not, but we inquired to see if it was a moral obligation made by those agents of Democratic administration conducting this great war, and when we found it was such an obligation we decided promptly to meet it. So, gentlemen, I think we ought promptly to vote down the Jones amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. JONES of Texas) there were—ayes 56, noes 117.

So the amendment was rejected.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 12, after the word "transaction," insert "if it shall appear to said board that such loss constituted an equitable and proper claim against the United States.

The CHAIRMAN. The gentleman from Alabama is recognized for two minutes.

Mr. BANKHEAD. Mr. Chairman, the purpose of offering this amendment is to clarify what possibly might be construed as an ambiguity in the power given to this board.

You will observe by the reading of the language that the board shall have the power "to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corpora-

tion and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them."

I do not know but that, by the ordinary rules of interpretation, that might be construed as a mandatory provision authorizing them to pay such actual loss as they may find they sustained, whether or not the board determined it was an equitable and just claim against the Government. The language suggested, of course, can do no damage to the spirit and purpose of the resolution as it has been framed; but it seems to me it ought to be clearly inserted in the language of the provision that this shall be paid only in the event that the board, after its investigation, shall as a matter of fact find that it constitutes a just and equitable claim.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. FESS. Is not the gentleman's amendment contained in line 10?

Mr. BANKHEAD. Line 9.

Mr. FESS. Is not the wording in lines 9 and 10 the same as the gentleman's amendment?

Mr. BANKHEAD. It says the adjustment shall be equitable and proper; but it may be construed as requiring them to pay the loss, regardless of whether they find it to be equitable and proper or not.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Texas offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 18, after the word "resolution," insert the following proviso: "*Provided*, That as a condition precedent to the taking over by the Sugar Equalization Board of such transaction, said B. H. Howell, Son & Co. shall be required to turn over to the said Sugar Equalization Board 10 per cent of all profits made by it on other sugar importations between the 13th day of May and the 13th day of July, 1920."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Texas offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 18, after the word "resolution," insert the following proviso: "*Provided*, That the amount of losses, if any, which the Sugar Equalization Board is hereby authorized to pay such companies, or either of them, shall be reduced by the amount of profits which said companies, or either of them, made on sugar imported by the companies, or either of them, between May 22 and August 21, 1920."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division on that.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 35, noes 115.

So the amendment was rejected.

Mr. WARD of New York. Mr. Chairman, I move that the committee do now rise and report the resolution back to the House with the recommendation that it do pass.

Mr. JONES of Texas. Mr. Chairman, I have a preferential motion.

The CHAIRMAN. The gentleman from Texas offers a preferential motion, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 11, after the word "loss," insert "exclusive of profits."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from New York [Mr. WARD] moves that the committee do now rise and report the resolution to the House with the recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration Senate Joint Resolution 12 authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic, had directed him to report the same back with the recommendation that the resolution do pass.

The SPEAKER. By the rule the previous question is considered as ordered.

Mr. HERRICK. Mr. Speaker, I move to strike out the enacting clause. [Laughter.]

The SPEAKER. That is not in order. The rule provides that it shall be considered without intervening motion. The previous question is ordered. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. JONES of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. JONES of Texas moves to recommit the resolution to the Committee on Agriculture with instructions to report the same back to the House forthwith with the following amendment:

"*Provided*, That the United States Sugar Equalization Board shall not pay anything in the way of profits to the American Trading Co. or to B. H. Howell, Son & Co. in such transaction."

Mr. WARD of New York. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The gentleman from New York moves the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. JONES of Texas. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas asks for the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-eight Members rising. The Chair will count the number present. [After counting.] Two hundred and nineteen Members present. Not a sufficient number rising to second the demand. The yeas and nays are refused. The question is on the passage of the bill.

Mr. JONES of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 124, not voting 122, as follows:

YEAS—181.

| | | | |
|---|---|---|---|
| Abernethy | Favrot | Lee, N. Y. | Robertson |
| Ansorge | Fenn | Logan | Rodenberg |
| Appleby | Fess | Luce | Rogers |
| Arentz | Fish | Luhring | Sanders, Ind. |
| Aswell | Fisher | McArthur | Scott, Tenn. |
| Bacharach | Focht | McCormick | Shelton |
| Begg | Fordney | McLaughlin, Mich. | Siegel |
| Benham | Foster | McLaughlin, Nebr. | Sinnott |
| Blakeney | Freeman | McPherson | Slemp |
| Bland, Ind. | Frothingham | MacGregor | Smith, Idaho |
| Bond | Garrett, Tenn. | MacLafferty | Snell |
| Bowers | Gernerd | Magee | Snyder |
| Britten | Gifford | Mansfield | Sproul |
| Brooks, Ill. | Glynn | Mapes | Stafford |
| Brooks, Pa. | Gorman | Martin | Stedman |
| Brown, Tenn. | Green, Iowa | Merritt | Stephens |
| Buchanan | Greene, Mass. | Mondell | Strong, Pa. |
| Bulwinkle | Greene, Vt. | Moore, Ill. | Sullivan |
| Burdick | Griest | Moores, Ind. | Sweet |
| Burton | Hadley | Morgan | Temple |
| Butler | Hammer | Mott | Thompson |
| Byrnes, S. C. | Hardy, Colo. | Mudd | Thorpe |
| Campbell, Kans. | Hawley | Murphy | Tilson |
| Cantrill | Henry | Nelson, Me. | Timberlake |
| Carew | Hickey | Nelson, A. P. | Tinkham |
| Chalmers | Hicks | Newton, Mo. | Towner |
| Chindblom | Hill | O'Connor | Treadway |
| Clark, Fla. | Hukriede | Oldfield | Underhill |
| Clarke, N. Y. | Humphrey, Nebr. | Paige | Vaile |
| Cockran | Humphreys, Miss. | Parker, N. Y. | Vestal |
| Cole, Iowa | Husted | Patterson, Mo. | Voigt |
| Cole, Ohio | Hutchinson | Patterson, N. J. | Walters |
| Colton | Ireland | Paul | Ward, N. Y. |
| Connolly, Pa. | Jacoway | Perkins | Wason |
| Copley | Jefferis, Nebr. | Petersen | Watson |
| Crago | Kearns | Porter | Webster |
| Cullen | Kelley, Mich. | Pou | White, Me. |
| Curry | Kendall | Pringey | Winslow |
| Dale | Kennedy | Purnell | Wood, Ind. |
| Darrow | Kiess | Radcliffe | Wurzbach |
| Dupré | Kindred | Ransley | Wyant |
| Elliott | Kissel | Reece | Yates |
| Ellis | Kline, N. Y. | Rhodes | Zihlman |
| Fairchild | Kline, Pa. | Riddick | |
| Fairfield | Knutson | Riordan | |
| Faust | Larson, Minn. | Roach | |

NAYS—124.

| | | | |
|---|---|---|---|
| Almon | Driver | Linthicum | Sinclair |
| Andrew, Mass. | Evans | London | Sisson |
| Andrews, Nebr. | Fields | Lowrey | Smithwick |
| Anthony | Frear | McClintic | Speaks |
| Bankhead | French | McDuffie | Steagall |
| Barbour | Fulmer | McSwain | Steenerson |
| Beck | Garrett, Tex. | Maloney | Stevenson |
| Beedy | Gensman | Michener | Strong, Kans. |
| Bird | Gilbert | Miller | Summers, Wash. |
| Black | Goldsborough | Montague | Sumners, Tex. |
| Bland, Va. | Hardy, Tex. | Moore, Va. | Swank |
| Blanton | Haugen | Nelson, J. M. | Swing |
| Boies | Herrick | Norton | Taylor, Tenn. |
| Bowling | Hoch | Ogden | Thomas |
| Box | Hooker | Oliver | Tillman |
| Briggs | Huddleston | Parker, N. J. | Tucker |
| Browne, Wis. | James | Parks, Ark. | Turner |
| Burtness | Jeffers, Ala. | Perlman | Vinson |
| Christopherson | Johnson, Ky. | Quin | Volstead |
| Clague | Johnson, S. Dak. | Raker | Weaver |
| Codd | Jones, Tex. | Ramseyer | White, Kans. |
| Collier | Kincheloe | Rankin | Williams, Ill. |
| Collins | Kleczka | Rayburn | Williams, Tex. |
| Connally, Tex. | Lampert | Ricketts | Williamson |
| Cooper, Wis. | Lanham | Robsion | Wilson |
| Cramton | Lankford | Rosenbloom | Wingo |
| Crisp | Larsen, Ga. | Rouse | Wise |
| Deal | Lawrence | Sabath | Woodruff |
| Dickinson | Lazaro | Sanders, Tex. | Wods, Va. |
| Doughton | Leatherwood | Sandlin | Wright |
| Dowell | Lineberger | Shaw | Young |

NOT VOTING—122.

| | | | |
|---|---|---|---|
| Ackerman | Dyer | King | Rainey, Ala. |
| Anderson | Echols | Kirkpatrick | Rainey, Ill. |
| Atkeson | Edmonds | Kitchin | Reber |
| Barkley | Fitzgerald | Knight | Reed, N. Y. |
| Bell | Free | Kopp | Reed, W. Va. |
| Bixler | Fuller | Kraus | Rose |
| Braud | Funk | Kreider | Rossdale |
| Brennan | Gahn | Kunz | Rucker |
| Burke | Gallivan | Langley | Ryan |
| Byrns, Tenn. | Garner | Layton | Sanders, N. Y. |
| Cable | Goodykoontz | Lea, Calif. | Schall |
| Campbell, Pa. | Gould | Lee, Ga. | Scott, Mich. |
| Cannon | Graham, Ill. | Lehlbach | Sears |
| Carter | Graham, Pa. | Little | Shreve |
| Chandler, N. Y. | Griffin | Longworth | Smith, Mich. |
| Chandler, Okla. | Hawes | Lyon | Stiness |
| Classon | Hayden | McFadden | Stoll |
| Clouse | Hays | McKenzie | Tague |
| Cooper, Ohio | Hersey | McLaughlin, Pa. | Taylor, Ark. |
| Coughlin | Himes | Madden | Taylor, Colo. |
| Crowther | Hogan | Mead | Taylor, N. J. |
| Dallinger | Huck | Michaelson | Ten Eyck |
| Davis, Minn. | Hudspeth | Mills | Tincher |
| Davis, Tenn. | Hull | Moore, Ohio | Tyson |
| Dempsey | Johnson, Miss. | Morin | Upshaw |
| Denison | Johnson, Wash. | Newton, Minn. | Volk |
| Dominick | Jones, Pa. | O'Brien | Ward, N. C. |
| Drane | Kahn | Olpp | Wheeler |
| Drewry | Keller | Osborne | Woodyard |
| Dunbar | Kelly, Pa. | Overstreet | |
| Dunn | Ketcham | Park, Ga. | |

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tincher (against).

Mr. Atkeson (for) with Mr. Little (against).

Until further notice:

Mr. Graham of Illinois with Mr. Rucker.

Mr. Edmonds with Mr. Hayden.

Mr. Madden with Mr. Kunz.

Mr. Reed of New York with Mr. Stoll.

Mr. Brennan with Mr. Bell.

Mr. Fitzgerald with Mr. Hudspeth.

Mr. Fuller with Mr. Lee of Georgia.

Mr. Johnson of Washington with Mr. Rainey of Illinois.

Mr. Crowther with Mr. Hawes.

Mr. Sanders of New York with Mr. Taylor of Colorado.

Mr. Shreve with Mr. Ward of North Carolina.

Mr. Moore of Ohio with Mr. Sears.

Mr. Cooper of Ohio with Mr. Byrns of Tennessee.

Mr. GOODYKOONTZ. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. GOODYKOONTZ. I was not.

The SPEAKER. The gentleman does not qualify under the rule.

The result of the vote was announced as above recorded.

On motion of Mr. WARD of New York, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

P. DE RONDE & CO. (INC.).

The SPEAKER. Under the rule the House resolves itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 79, and the gentleman from New York [Mr. HICKS] will resume the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HICKS in the chair.

The CHAIRMAN. The Clerk will report the joint resolution.

The Clerk read as follows:

*Resolved, etc.*, That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation P. DeRonde & Co. (Inc.) a certain transaction entered into and carried on by said corporation at the request and under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic, between the 15th day of June, 1920, and the 22d day of June, 1920, of 5,000 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispense of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction, paying to the corporation aforesaid such sum as may be found by said board to represent the actual loss sustained by them in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

The CHAIRMAN. The Chair, under the rule for the division of time, will recognize in favor of the resolution the gentleman from Indiana [Mr. PURNELL] and opposed to the resolution the gentleman from Kentucky [Mr. KINCHELOE].

Mr. PURNELL. Mr. Chairman and gentlemen of the committee, the same principle is involved in this bill that is involved in the bill which has just passed. You are all familiar with the fact that the Sugar Equalization Board, which was analogous to the Grain Corporation, was created for the purpose of assuring to the people of the country an adequate supply of sugar. That stock was held by the President of the United States. That board made a profit of $39,000,000. Thirty million dollars of that profit was covered into the Treasury of the United States. The $9,000,000 remaining, which has been increased to about $10,000,000, is now held, together with the capital stock, in the treasury of the Sugar Equalization Board for the specific purpose, as stated to us by the Sugar Equalization Board, to take care of odds and ends and such claims as this.

Back in April, 1920, it became very evident to the Department of Justice, to the Attorney General, to whom had been given the powers and duties that were theretofore held by the Food Administrator, that there was a shortage of sugar in the country, or at least that there was a corner in sugar. It became necessary to take some drastic steps to break that corner to protect the consumers of the country. In the debate which has just preceded this you have learned how the Department of Justice, through the Department of State, secured by means of diplomatic channels the raising of the embargo that existed in Argentina against the exportation of sugar. That was in April, 1920. In May, 1920, just one month later, Mr. A. W. Riley, who was the special agent of the Department of Justice in these sugar matters, stationed in New York City, called together a number of importers of New York City and stated to them the purposes of the Department of Justice in securing an adequate supply of sugar.

Among those concerned who were importuned to bring sugar into the United States under this plan of the Department of Justice was the firm of P. De Ronde & Co. The corporation of P. De Ronde & Co. had not at any time been interested in the importation of sugar. They were shippers. Their ships traveled between the Argentine Republic and the United States of America. Mr. De Ronde, a splendid young gentleman, who served his country during the war in France, who is president of that company, came before our committee and said that he had no knowledge about sugar prior to the interview with the representative of the Department of Justice, but that he considered the matter and finally concluded to undertake the task of bringing into the country 5,000 tons of Argentine sugar. The department asked him to bring in any amount that he could bring. De Ronde had at that time a ship that was partially loaded at Argentina. De Ronde testified that after he made this arrangement, after he had undertaken to help his Government at the request of the department agent, he cabled to the Argentine Republic and had the ship unloaded of its cargo and had the agent in Argentina buy with his money 5,000 tons of this sugar, for which he paid 19½ cents a pound. That sugar was loaded on this vessel and brought back to the United States.

Now, you are familiar with the story up to that time. When it was announced through the public press, which announcement was greatly exaggerated, that the Government of the United States intended to break the back of this sugar combination and bring down the price of sugar by going into Argentina and buying it and selling it to American consumers, the price naturally dropped. The report that was carried in the

press was exaggerated. It said that the United States Government was going to buy from 64,000 to 140,000 tons of this sugar, so that when De Ronde brought his sugar into the United States he was subject to the same conditions that confronted the American Trading Co. when they attempted to bring back the 13,000 tons.

At the time he entered into the negotiations with Rily, who was the duly authorized and acting agent, as Attorney General Palmer said in his testimony, of the Department of Justice, he was given distinctly to understand that he would be confined in his profits to 1 cent per pound, and when he brought the sugar back to the United States he must distribute it to the persons, firms, or corporations, and through the channels designated by the Department of Justice. He had no other opportunity than this; they were to furnish a list of the customers. Upon the arrival of the sugar in New York City it was impossible for the Department of Justice to furnish a list of the customers, because the price had fallen by virtue of this wholesale purchase and the exaggerated report in the newspapers. The bottom had fallen out of the sugar market and the American consumers had been saved hundreds of millions of dollars.

Gentlemen, this claim is on the same footing and the same basis as the other claim, and if we are in peace time to recognize obligations made by our predecessors during the war, certainly we are bound morally if not legally to pay this claim. Now, I do not want any member of the committee to be confused about the procedure that will follow after the adoption of this resolution. We are merely authorizing the President to instruct the Sugar Equalization Board that has this $10,000,000 profit made out of sugar to pay such losses as may be legally found to be due these people.

Mr. GOODYKOONTZ. Will the gentleman yield?

Mr. PURNELL. I prefer not to yield as I have only a few minutes. The Committee on Agriculture has given to this claim the most careful scrutiny. I signed, at first, the minority report as I was opposed to it.

I was opposed to these sugar claims until we sent a special subcommittee, composed of the gentleman from Michigan [Mr. McLAUGHLIN], the gentleman from Arkansas [Mr. JACOWAY], and the gentleman from Kansas [Mr. TINCHER], down to the Department of State and to the Department of Justice, where they were permitted to see the secret communications that passed between our diplomats in the Argentine and the State Department, and upon their statements and upon the documents which I saw I became absolutely convinced that these transactions were brought about at the instigation and request of the Government, and that these men at all times were under the jurisdiction of the Government, and, therefore, that the claims ought to be allowed. [Applause.]

I reserve the remainder of my time.

Mr. KINCHELOE. Mr. Chairman, as I stated to the committee in the speech I made against the other claim, in my judgment this is more meritorious as a claim than the one just passed, by a good deal. There was no smoke screen put up. They bought the sugar and complied with the Argentine regulations. The reason they lost is because they entered into a contract so much later than the American Trading Co. and Howell & Co., and they exercised all of the diligence they could, and got the sugar here. I am against all of these claims, and you gentlemen now have an opportunity to vote $1,170,000 more out of the Treasury, and I presume you are going to do it. I am going to vote against it, but, as I say, I think this is a more meritorious claim than the other one. I do not want to be understood as saying that I am for it, or that I am mitigating the objections that lie against this claim.

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. GOODYKOONTZ. How many of this character of claims are pending in Congress?

Mr. KINCHELOE. The American Trading Co., the claim just passed, appropriates $2,250,000, about, and this appropriates about $1,170,000 more. The Lamborn claim has not yet been reported out from the committee, but it appropriates $750,000, and there are several other claims. I do not know how many will come in, now that the head has been knocked out of the barrel.

Mr. GOODYKOONTZ. Is it proposed that we indemnify all of these fellows who lost money on these sugar transactions?

Mr. KINCHELOE. The majority of the House seem to indicate that that is true. I do not.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. FIELDS. I think I understood the gentleman to say, or some gentleman to say, that there are a lot of claims for losses on wheat.

Mr. KINCHELOE. There is a bill pending before the Agricultural Committee to reimburse men for millions of dollars who bought up wheat and afterwards the Government put the price on it and who lost.

Mr. FIELDS. So that we do not know where this will stop?

Mr. KINCHELOE. No; now that the precedent has been set.

Mr. PARKS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. PARKS of Arkansas. There are hundreds and thousands of claims here, I am informed, on behalf of individuals, men, women, and children, who have been injured in some way, that are now pending here before Congress. Will the gentleman explain why it is that this particular claim is given preference above all of these others?

Mr. KINCHELOE. No; I could not explain the action of the majority of the House. They are not before our committee, and I am not acquainted with those claims. So I say, so far as I am concerned, I submit to the majority of the House—[cries of "Vote!"]—but as I say, I am not mitigating this claim. I think they are all just a swoop on the Treasury, and being against the claim I am going to yield to some of these gentlemen who are also against these claims.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. BANKHEAD. In the gentleman's opinion, after investigation of the facts in this particular claim, does the gentleman believe that this claimant was induced to take this action to his loss by representations or at the request of an authorized agent of the Government?

Mr. KINCHELOE. Absolutely. Mr. Rily was just as much a representative of the Department of Justice as was Mr. Figg, and the gentleman to whom all the sugar activities were turned over afterwards was Mr. Rily, whose headquarters were in New York, representing the Department of Justice.

Mr. BANKHEAD. And this man acted on the suggestion of Mr. Rily?

Mr. KINCHELOE. Yes.

Mr. BANKHEAD. In unloading a ship and in going to bring the sugar to the United States?

Mr. KINCHELOE. That is the testimony.

Mr. BANKHEAD. Was Mr. Rily at that time an authorized agent of the Government to induce him to do that thing?

Mr. KINCHELOE. I do not know. He was a member of the Department of Justice with headquarters in New York, and I will say that after all of the activities of this sugar loading and unloading were turned over to Mr. Rily, the testimony shows that Mr. Rily went to Mr. Franklin of the American Trading Co. to get his activities and to learn what they were doing, and Mr. Franklin refused to report to Mr. Rily, and reported to Mr. Figg.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. OLIVER. In the claim just disposed of I understand that one of the beneficiaries was a large purchaser and distributor.

Mr. KINCHELOE. Yes. Mr. Post, of B. H. Howell & Co., was one of the biggest in the country.

Mr. OLIVER. The gentleman from Indiana [Mr. PURNELL], who has just spoken, called attention to the fact that there was a corner on sugar during the year 1920. I am wondering if the investigation of the committee at any time led them to make special inquiry into whether either of the beneficiaries, under the claims just favorably voted on, could in any wise have been a party to such corner on sugar?

Mr. KINCHELOE. Mr. Post admitted on cross-examination before the committee that his other 14 companies, or a part of them, were busy getting it and selling raw sugar at 21 cents a pound.

Mr. OLIVER. So Mr. Post was interested in 14 other companies?

Mr. KINCHELOE. Yes, sir.

Mr. OLIVER. They were not only selling in this country but raising sugar elsewhere and importing it here?

Mr. KINCHELOE. Oh, yes; Cuba, Java, and the Argentine. He was connected with 14 companies.

Mr. OLIVER. His were among the largest sugar-distributing companies in America, were they not?

Mr. KINCHELOE. Yes. I think Mr. Post has the largest connection with sugar companies of any man in the United States.

Mr. OLIVER. Is the gentleman aware of the further fact—and I believe the gentleman called attention to it—that a number of suits have been brought by these large companies

against merchants and wholesalers and retailers who purchased sugar in 1920 from them, during the months of June and July, 1920, on solicitation and assurance by these companies that there was a scarcity of sugar, that written contracts were made for future deliveries on the strength of such assurances, that many of these cases are undisposed of, and that the defense to such suits will be that these very parties, who are beneficiaries under the claim allowed, had knowledge of this cornering of sugar, and one of them may have been a party to it, yet failed to disclose the fact that there was in truth no real scarcity of sugar, but only a pretended scarcity?

Mr. KINCHELOE. I understand that is the defense. Not only that but the wholesale sugar dealers throughout the country are dependent upon this man Post and the companies in which he is interested, and are sending in propaganda by way of telegrams because they can not get more sugar from these fellows unless they support the bill just passed.

Mr. ASWELL. I desire to say that the resolution already passed in no way affects the De Ronde claim. The gentleman whose claim the House is now considering has nothing to do with the sugar business, never handled a pound of sugar before or since.

Mr. KINCHELOE. No; De Ronde bought this sugar delivered at New York and he had no idea——

Mr. ASWELL. The ship was half loaded with freight, and he unloaded at request. He is not and was not a sugar dealer at all.

Mr. KINCHELOE. The testimony shows that.

Mr. BANKHEAD. That is the question I asked, because I am seeking light on this proposition. I asked if this action was taken by De Ronde on the request of an authorization?

Mr. KINCHELOE. I answered that Mr. Rily, who is identified with the Department of Justice the same as Mr. Figg was with the business of the American Trading Co. and Howell & Co., except that Rily had his headquarters at New York——

Mr. BANKHEAD. He was the authorized agent of the department?

Mr. KINCHELOE. Absolutely so. To such an extent that later on all the sugar activities here were turned over to Rily instead of Figg.

Mr. FESS. If the gentleman will permit, I have looked through the hearings and read the report, and I have not found anywhere where either the Department of Justice or the Secretary of State or other departments indorsed the payment of this.

Mr. KINCHELOE. I do not know about that. But De Ronde did not set up a smoke screen that he was an agent of the Government, like the other claim, and in my opinion this claim is more just and equitable.

Mr. PARKS of Arkansas. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. PARKS of Arkansas. Something was said here this afternoon, probably more than once, about the Wilson administration being committed to the payment of these sugar claims. I want to ask the gentleman if he does not recall—I am not indorsing the attitude of the Wilson administration on this particular claim or any of these claims—that Mr. Wilson wrote a letter or sent a message to the Congress during the war in which he said with regard to the sugar lobby or sugar claims or these sugar bills, as he termed it, they had become a national scandal, or a public scandal?

Mr. KINCHELOE. I think that is true, but——

Mr. PARKS of Arkansas. I am against both of these bills.

Mr. KINCHELOE. Palmer knew personally nothing about it except what Rily and Figg told him, and Daugherty knew absolutely nothing except what was told him. They did not have half as much knowledge as gentlemen on the floor of the House.

Mr. PURNELL. If the gentleman will yield just a minute, it must not be lost sight of that after all we are dealing with a moral obligation and not with a strictly legal obligation.

Mr. KINCHELOE. We are not dealing with a legal and I do not think a moral obligation.

Mr. PURNELL. The gentleman will remember that there is in the record a letter which Attorney General Palmer sent to Senator MOSES, in which he makes this statement:

> The situation with reference to sugar was by my direction placed entirely in the hands of Mr. Rily in the spring of 1920, and it became his duty to direct all the activities of the department looking to the enforcement of the Lever law with relation to sugar and to relieve the people from the high prices then prevailing.

Then later he said that while he was not personally in touch at the time with what Mr. Rily did in getting Mr. De Ronde to go to Argentina and bring in this sugar, yet what he did—

> Was very clearly within his authority and jurisdiction.

And he said:

> Therefore I am sure that if I had been advised at the time of the details of these transactions on the part of both Mr. Rily and Mr. Figg, I would have approved them as being in line with my instructions to use proper effort to secure the importation of such sugar with the idea of breaking the price in this country.

Mr. KINCHELOE. That is true; and that is the same Mr. Rily that Mr. Franklin would not do business with.

Mr. Chairman, how much time have I?

The CHAIRMAN. The gentleman has 13 minutes.

Mr. KINCHELOE. I reserve the balance of my time, and yield 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. PURNELL. How much time have I consumed?

The CHAIRMAN. Ten minutes.

Mr. MONDELL. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Wyoming moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate Joint Resolution 79, authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic, had come to no resolution thereon,

The SPEAKER. The gentleman from New York [Mr. HICKS], Chairman of the Committee of the Whole House on the state of the Union, having under consideration the Senate Joint Resolution 79, reports that that committee has come to no resolution thereon.

Mr. MONDELL. Mr. Speaker, I move to close debate on the pending resolution.

The SPEAKER. The gentleman from Wyoming moves that debate on the pending resolution be now closed.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. And on that the gentleman from Michigan [Mr. McLAUGHLIN] makes the point of order that there is no quorum present. The Chair will count. [After counting.] It is very clear that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move to close debate.

Mr. STAFFORD. Mr. Speaker, I make the point of order on the motion to close debate, on the ground that the House has heretofore——

The SPEAKER. The gentleman from Michigan has made the point of order that there is no quorum present.

Mr. McLAUGHLIN of Michigan. I withdraw that, Mr. Speaker.

Mr. STAFFORD. I make the point of order that there is no quorum present.

Mr. KINCHELOE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present, and the gentleman from Kentucky [Mr. KINCHELOE] moves that the House do now adjourn. The question is on agreeing to the motion of the gentleman from Kentucky.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. KINCHELOE. Mr. Speaker, I call for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 44, noes 85.

Mr. KINCHELOE. I ask for tellers, Mr. Speaker.

The SPEAKER. The gentleman from Kentucky demands tellers. As many as favor taking this vote by tellers will rise and stand until they are counted. [After counting.] Twenty-two gentlemen have risen—not a sufficient number. Tellers are refused.

Mr. STAFFORD. Mr. Speaker, I demand the yeas and nays on the motion to adjourn.

The SPEAKER. The gentleman from Wisconsin demands the yeas and nays on the motion to adjourn. As many as favor taking this vote by yeas and nays will rise and stand until they are counted. [After counting.] Twenty-four gentlemen have risen in the affirmative—not a sufficient number.

Mr. STAFFORD. What was the vote, Mr. Speaker?

The SPEAKER. Twenty-four. The yeas and nays are refused. The gentleman from Wisconsin made the point that there is no quorum present. It is quite clear that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

Mr. MONDELL. I made a motion to limit debate on the resolution before the point of order was made. Is the vote on that motion?

The SPEAKER. The Chair does not recall if there was a division on that.

Mr. STAFFORD. Before the yeas and nays were called for a point of order was made by the gentleman from Michigan [Mr. McLAUGHLIN] that no quorum was present. Then I made a point of order on the motion to close debate, and later I called for the yeas and nays on the motion to adjourn.

The SPEAKER. The Chair is advised that there was no division on that. Therefore it is not an automatic call.

The Clerk called the roll, and the following Members failed to answer to their names:

| | | | |
|---|---|---|---|
| Ackerman | Free | Kraus | Rainey, Ill. |
| Anderson | Frothingham | Kunz | Ramseyer |
| Arentz | Fuller | Langley | Reber |
| Atkeson | Funk | Layton | Reed, N. Y. |
| Barkley | Gahn | Lea, Calif. | Reed, W. Va. |
| Bixler | Gallivan | Lee, Ga. | Riddick |
| Blakeney | Garner | Lehlbach | Rogers |
| Brand | Garrett, Tex. | Little | Rose |
| Brennan | Glynn | Longworth | Rosenbloom |
| Britten | Gorman | Lyon | Rossdale |
| Bulwinkle | Gould | McArthur | Rucker |
| Burdick | Graham, Ill. | McCormick | Ryan |
| Burke | Graham, Pa. | McDuffie | Sabath |
| Burton | Griffin | McKenzie | Sanders, N. Y. |
| Byrns, Tenn. | Hardy, Tex. | McLaughlin, Nebr. | Schall |
| Campbell, Pa. | Hawes | McLaughlin, Pa. | Scott, Mich. |
| Cantrill | Hayden | MacGregor | Shreve |
| Carter | Hays | Madden | Slemp |
| Chandler, N. Y. | Hersey | Martin | Smith, Mich. |
| Chandler, Okla. | Himes | Mead | Smithwick |
| Clark, Fla. | Hogan | Merritt | Snell |
| Classon | Huck | Michaelson | Stiness |
| Clouse | Hudspeth | Mills | Stoll |
| Codd | Hukriede | Montague | Sweet |
| Cooper, Ohio | Hull | Moore, Ill. | Swing |
| Coughlin | Husted | Moore, Ohio | Tague |
| Crowther | Jefferis, Nebr. | Moore, Va. | Taylor, Ark. |
| Dallinger | Johnson, Ky. | Moores, Ind. | Taylor, Colo. |
| Davis, Minn. | Johnson, Miss. | Morgan | Taylor, N. J. |
| Davis, Tenn. | Johnson, S. Dak. | Morin | Taylor, Tenn. |
| Dempsey | Johnson, Wash. | Mudd | Ten Eyck |
| Denison | Jones, Pa. | Nelson, J. M. | Thomas |
| Dickinson | Kahn | Newton, Minn. | Tincher |
| Dominick | Keller | O'Brien | Towner |
| Drane | Kelly, Pa. | Olpp | Tucker |
| Drewry | Kendall | Osborne | Tyson |
| Dunbar | Ketcham | Overstreet | Upshaw |
| Dunn | King | Paige | Volk |
| Dyer | Kirkpatrick | Park, Ga. | Weaver |
| Edmonds | Kitchin | Parker, N. J. | Wheeler |
| Ellis | Kleczka | Parker, N. Y. | Williams, Tex. |
| Faust | Kline, N. Y. | Patterson, Mo. | Woodyard |
| Fenn | Knight | Porter | Yates |
| Fitzgerald | Kopp | Rainey, Ala. | Zihlman |

The SPEAKER. On this roll call 250 Members have answered to their names. A quorum is present. The Doorkeeper will open the doors.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call.

The motion was agreed to.

Mr. MONDELL. Mr. Speaker, I move to close debate on the pending resolution.

The SPEAKER. The gentleman from Wyoming moves to close debate.

Mr. STAFFORD. Mr. Speaker, I make the point of order that that motion is not in order, for the reason that the House under a rule heretofore submitted by the Committee on Rules has fixed the time for which general debate shall be in order in the consideration of this resolution. Many Members might have voted as I did, for the adoption of that rule, in the expectation that there would be an hour and a half of time given for the consideration of the resolution, half to be controlled by those in favor and half by those opposed. Now, the only way in which this House can change that order is by another rule. I believe a motion to reconsider does not lie against votes of the House on motions from the Committee on Rules. The House by its action having decided on a certain rule, namely, that there should be an hour and a half of general debate, it is not within the province of any Member to come in the House and try to alter that rule by restricting it any more than a Member would have the right to come in here now with the previous question ordered under the rule and move that the previous question should not be considered as ordered. Only the Committee on Rules has the right to make that privileged motion to change the time already fixed by the House in adopting the report of the Committee on Rules. I demand the regular order, and the regular order under the rule is to go back into the Committee of the Whole.

Mr. SANDERS of Indiana. Mr. Speaker, will the gentleman from Wisconsin yield?

Mr. STAFFORD. I yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. Is not the provision of the rule that there shall be "not to exceed" an hour and a half, rather than to fix an hour and a half?

Mr. STAFFORD. Not to exceed a certain stated time has always been considered that if Members did not wish to avail themselves of the time it would not have to be used; but in this instance the time was desired to be used.

Mr. GREENE of Vermont. Mr. Speaker, if the gentleman will yield, my understanding of the English language is that the phrase "not to exceed" means not any greater amount.

Mr. STAFFORD. But it was not to exceed that time in Committee of the Whole. It was not to be by further action of the House, but the order of procedure was fixed for the Committee of the Whole.

Mr. GREENE of Vermont. We sought to fix the outside limit.

Mr. STAFFORD. We fixed an established order that could not be exceeded in the committee. It was a rule for the procedure in the Committee of the Whole.

The SPEAKER. Has the gentleman from Wisconsin any authority to support his position?

Mr. STAFFORD. I can cite the Speaker to the authority for the jurisdiction of the Committee on Rules, that it is the only body which has jurisdiction to present rules of procedure. Never before have I seen any such procedure as this; and if the Chair is going to hold that after a solemn order of the House has been made that there shall be not to exceed an hour and a half of debate in committee, the committee after a minute's debate can rise without any notice as to the purpose of the committee in rising and some Member may make a motion which will supersede the province of the Committee on Rules in determining the rules of the House, it seems to me that will be an unheard-of order of procedure and a new precedent.

The SPEAKER. The Chair thinks the argument of the gentleman would undoubtedly be correct if the resolution had fixed definitely a certain time; but as the gentleman from Indiana [Mr. SANDERS] has pointed out, the resolution says that there shall be not to exceed 1 hour and 30 minutes of general debate. Now, there is a general rule, of course, that the House at any time has the right to close debate in Committee of the Whole. The Chair does not think, because the Committee on Rules said there should be not to exceed an hour and a half, that that takes away from the House the power to decide whether there shall be less than that. It does not give it to any one gentleman to decide, but it leaves it in the power of the House to decide whether there shall be less than that time for general debate. The Chair overrules the point of order.

Mr. MONDELL. Mr. Speaker, I move to close debate.

Mr. SANDERS of Indiana. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SANDERS of Indiana. Should not the motion to go into Committee of the Whole be made before the gentleman moves to close debate?

The SPEAKER. Under the rule the House will automatically go into Committee of the Whole. The gentleman from Wyoming moves that debate in Committee of the Whole be now closed.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 125, noes 43.

Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count.

Pending the count—

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman from Kentucky withhold his point for a moment?

Mr. KINCHELOE. Yes.

Mr. GARRETT of Tennessee. Mr. Speaker, may I suggest to the gentleman from Wyoming [Mr. MONDELL] that I think at the time the rule was adopted the House felt that there would be an hour and a half of discussion upon this particular bill, and while I think there is no question about the correctness of the Speaker's ruling that the House has the right to close the debate, yet it seems to me it would save time if the gentleman from Wyoming would ask unanimous consent to have the order vacated by which debate was closed or ap-

peared to be closed and let the rest of the time be taken up in the debate.

Mr. MONDELL. Mr. Speaker, personally I should have been perfectly willing to have the debate go on for an hour and a half, but the gentlemen in control on both sides, after discussing the matter, had agreed that, so far as they were concerned, they were perfectly willing to close the debate at the close of the statements which they should make. Both gentlemen reserved the remainder of their time, and under those circumstances it has been the almost invariable rule of the House for the Clerk to begin to read the bill. In making the motion to close debate I was carrying out what I understood to be the desire of gentlemen on both sides. Both of the gentlemen stated that this claim was in very large measure similar to the one just settled, and that, therefore, there was no reason for any extended general debate, but that proposed amendments could be debated under the five-minute rule.

Mr. KINCHELOE. The gentleman misunderstood my statement if he understood me to say what he says. I said that, so far as I was personally concerned, I thought this was more meritorious than the other bill, but that if any gentleman opposed to the bill wanted time, I proposed to give it to him, and the gentleman from Michigan [Mr. McLAUGHLIN] was desiring recognition.

Mr. MONDELL. The gentleman from Kentucky [Mr. KINCHELOE] reserved his time and the gentleman favoring the bill reserved his time, and under the ordinary practice of the House that closed the debate.

Mr. KINCHELOE. I had yielded 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN] when the gentleman moved to rise.

Mr. MONDELL. Mr. Speaker, I did not know the gentleman had yielded time to the gentleman from Michigan. If I had, I would not have moved to close debate. If there are other gentlemen who wish to debate, I think they ought to be heard. I suggest that we have 20 minutes additional general debate to be divided equally among those for and against the measure.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that an additional 20 minutes of general debate be had, to be equally divided among those for and those against the measure.

Mr. KINCHELOE. Reserving the right to object, I want to say that as far as I am concerned I have no interest in the bill, but they came in and gave us scarcely no time under the rule, and after debate under the gag rule the majority leader comes in and undertakes to cut off debate.

Mr. MONDELL. As I understood the matter, the gentleman from Kentucky, who has just spoken, agreed that so far as he was concerned general debate might be closed.

Mr. KINCHELOE. I did not agree to that. I said positively that I proposed to yield time to those against the bill, and I had yielded 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN] when the motion was made that the committee rise. The RECORD will show that.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

Mr. HERRICK. I object.

The SPEAKER. The ayes have it, and the motion of the gentleman from Wyoming to close debate prevails. The House automatically resolves itself into Committee of the Whole House on the state of the Union, and the gentleman from New York will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. HICKS in the chair.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 79) authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic.

*Resolved, etc.*, That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation P. DeRonde & Co. (Inc.) a certain transaction entered into and carried on by said corporation at the request and under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic, between the 15th day of June, 1920, and the 22d day of June, 1920, of 5,000 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction, paying to the corporation aforesaid such sum as may be found by said board to represent the actual loss sustained by them in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. FESS. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may continue for 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the gentleman from Michigan may proceed for 10 minutes. Is there objection?

Mr. HERRICK. I object.

The CHAIRMAN. The Chair will not recognize any Member who does not stand up and address the Chair. Is there objection?

Mr. LINTHICUM. I object.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a few minutes ago the House passed a resolution providing for the consideration of the claim of the American Trading Co. and B. H. Howell & Co. by the Sugar Equalization Board. I was strongly in favor of that resolution and so expressed myself. It has been said by those who have spoken on this resolution relating to the De Ronde claim that it is entirely like the American Trading Co. claim. One gentleman went so far as to say he thinks this claim has more merit than the others. I am not able to agree with him. I think the two claims are dissimilar. The fact that they relate to sugar, the fact that the sugar imported was from Argentina are the only respects in which the two claims are alike. I insist that this De Ronde Co. was exactly in the position of thousands of others throughout the country—farmers, manufacturers, and producers of all kinds—receiving, acting upon, and responding to the requests of the Government for increased production. In doing so each took his chances. There was no guaranty against loss; there was nothing said and no circumstances in any way, even remotely, connected with it that would suggest a guaranty. There was no employment, no creating of an agency as there was in the case that we have just concluded.

It is true that Mr. Rily, representing the Department of Justice, asked the De Ronde Co. to bring sugar from Argentina. It is true as the gentleman from Indiana [Mr. PURNELL] says, that Rily had certain authority. There may be some difference of opinion as to what his authority was. I do not know that he exceeded his authority in any case.

I presume Attorney General Palmer was right in saying that Rily acted properly in these matters and that if the Attorney General had known of them he would have approved them. What was Rily's authority, and how did he exercise that authority? He had authority over the sugar situation, to do what was in his power to increase the supply and induce those who were able to bring sugar into the United States. In pursuance of that he asked, among others, the De Ronde Co. to bring in sugar. Now, I wish to read some of the hearings, and I want you to judge. I think you will come to the conclusion that I reached, that it was simply a request on the part of Mr. Rily, a very mild one indeed, that might have been complied with or not, just as De Ronde wished. Mr. De Ronde says—and this involves a couple of million dollars, and it is worth while to give a little time to it. I wish I might have discussed it under general debate where the time was not so limited. It may be that you will be generous if I take a little more time in reading what may seem to be too long an extract from the hearings, but it is important and bears directly on the matter I am speaking of:

It was in May of last year, 1920, that the subject of sugar importations from the Argentine was first discussed between Mr. Rily, of the Department of Justice, and myself in New York. I saw him frequently in New York. Sometimes I discussed matters of business with him—his coal work at times and his sugar work—and at other times I simply exchanged the courtesies of the day with him. It was toward the end of May when he informed me that through the efforts of his own department, the Department of Justice, and the Department of State, the embargo which up to that time prevailed upon exports of Argentine sugar was lifted or was about to be liffed; that if that was the case, and knowing that I was interested in Argentine affairs, and had been for a good many years, he desired to know whether I would not interest myself in such an importation.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PURNELL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the time of the gentleman from Michigan be extended for five minutes. Is there objection?

Mr. HERRICK. Mr. Chairman, I object.

Mr. PURNELL. Mr. Chairman, I rise in opposition to the amendment. I am sorry that I can not agree with my distinguished colleague from Michigan [Mr. McLAUGHLIN]. Usually I follow him, because I have great respect for his ability and integrity. I followed him on the other claim. I filed a minority report against the other claim, but when he and the other members of the subcommittee came back from the De-

partment of Justice and the Department of State and assured me, as they did the other members of the committee, that that transaction was at all times under the jurisdiction of the Government, I followed him. I am unable to see the difference between these two claims. When the Department of Justice took over the Food Administration and became responsible for the distribution of sugar in the country, they set out in April, 1920, to find sugar with which to break the market. They made an agreement with the American Trading Co. to go down into the Argentine and bring back some 60,000 tons of that sugar. About that time, according to the testimony of Attorney General Palmer, he put Mr. A. W. Rily in charge of the office in New York City, with what he designated as full authority to act. Mr. Rily, acting on that authority, called together a number of the importers in New York City, explained the existence of this sugar in the Argentine, and suggested the advisability of bringing it back to the United States for the purpose of breaking the market. Mr. De Ronde considered the proposition a number of times, as he states in his testimony, because he was not a sugar man but a shipper. He finally consented to undertake it, but upon what terms? Upon these conditions: First, that he should be limited to 1 cent profit per pound; second, that the Department of Justice would furnish to him a list of those to whom the sugar was to be distributed. Mr. De Ronde stated in his testimony—it is undisputed—that he was not a sugar man and had no facilities for distributing sugar.

The American Trading Co. had joined hands with B. F. Howell & Co., sugar people, who had the facilities for distribution. De Ronde specifically stated in his testimony that at the time of the negotiations with Mr. Rily, representing the Department of Justice, he was not so much concerned about the 1 cent profit as he was about distributing it after he got it back here. I can not at this moment lay my hand upon exactly what Mr. Rily said, but in substance it was this, that the Department of Justice was being besieged every day, that life was being made almost unbearable by reason of the fact that thousands were soliciting them to furnish sugar, and that Mr. De Ronde would have no trouble in finding purchasers, and that they would guarantee that. It was upon those conditions that Mr. De Ronde entered into these arrangements, brought the sugar back, and found when he returned that there were no persons to whom it could be distributed. He also stated at the same time, when the suggestion was made that he could take it back to the Argentine and sell it at a profit, or at least save his face, that the Government would not permit it, and I submit to the House that if that is not as much supervision as was exercised in the other case, then I am not able to make a distinction. Here is the difference between the two cases. The American Trading Co. blazed the trail. They were the first ones to get in touch with the Department of Justice, and naturally their name was linked up with those cablegrams that went from this Government to the Argentine, but does anybody deny that these two companies set about to do the same thing, and that they did the same thing? I am sorry that I can not agree with the distinguished gentleman from Michigan. He is usually right, but in this he is decidedly but honestly wrong.

Mr. BLANTON. Mr. Chairman, I offer as a substitute to strike out the period and insert a colon.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 14, strike out the period and insert a colon.

Mr. BLANTON. Mr. Chairman, in the Sixty-seventh Congress through deaths and resignations the House of Representatives lost some of its most valuable Members. One of the greatest losses that it has sustained, in my judgment, is the loss of the distinguished gentleman from Massachusetts, Mr. Walsh, whose presence is needed here in this House every day, and whose absence we will not get over for a long time.

In the closing hours of the Sixty-sixth Congress, when there were assaults made with war claim after claim to take large sums of money out of the Treasury, the conscience of Joe Walsh was shocked to such an extent that he got on this floor and accused his colleagues of having broken down the Treasury doors, so many were the different large sums that were being taken out. I imagine if he were here now on just such claims as these, one for $2,500,000, which we have just passed, and the one now under consideration for $1,700,000, he would stand as leading a solid phalanx against such raids upon the people's Treasury. I wish he were back, and I wish there were more like him to stand up here and keep the money in the Treasury, where it belongs. If you take this sum out, you can take sums out with equal propriety on hundreds or even thousands of similar claims.

I wish we had time to go into them. The gentleman from Michigan [Mr. MCLAUGHLIN] has not been given time. We have been whipped into line here. It is now 10 minutes to 6 o'clock; it is after quitting time, and yet debate is cut off and we are forced to vote here with hardly any consideration whatever being given to this measure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIAMS of Illinois and Mr. THORPE rose.

The CHAIRMAN. The gentleman from Illinois [Mr. WILLIAMS].

Mr. WILLIAMS of Illinois. Mr. Chairman, as a member of the Committee on Agriculture I gave very careful consideration to the evidence submitted in these sugar claims. I came to a conclusion directly opposite to that expressed by the gentleman from Michigan [Mr. MCLAUGHLIN]. We must appreciate the fact that in the consideration of these claims we are not considering legal claims against the Government, although Attorney General Daugherty did express the view before our committee that those were legal claims. I came to the conclusion from the testimony that the Congress should not recognize and should not pay these claims, not because it was not a contract between these parties and authorized representatives of the Government but because if we start on the payment of moral obligations growing out of the Great War there would be no place where Congress could stop. The Committee on Agriculture, the Committee on Rules, and the House by a very large majority on the roll call voted a short while ago expressed the view that these claims should be liquidated by the Government. In my opinion, the claim we are now considering has a great deal more moral weight than the claim just passed. I voted against the rule. I voted against the claim just considered, because I wanted to be consistent and did not want to take up these claims. But here is what we have in this matter: De Ronde & Co. were not sugar men. They had no transactions in sugar; they had no experience in sugar. They were shipowners operating a line of ships between the ports of this country and South American ports. A representative of the Department of Justice, whom the Attorney General, Mitchell Palmer, said had authority to act for the department, entered into an arrangement with De Ronde & Co. to load one of their ships then in the harbor at Buenos Aires with sugar for the port of New York and agreed that the Department of Justice would furnish buyers for that sugar at a profit of 1 cent a pound.

Remember, this ship that brought the sugar here was half loaded with merchandise to be transported to this country, but at the request of the Department of Justice under this contract and this agreement that cargo was unloaded and a cargo of sugar was brought to New York. When it arrived there, as has been explained, the market broke, and the agents of the Department of Justice who made this contract with De Ronde & Co., could not find purchasers for the sugar and they suffered loss. In my opinion it would be a monstrosity if the Congress of the United States should liquidate a claim that has just been allowed, where the record shows that Mr. Post, one of those interested in the Howell company, was a large dealer in sugar—as I say, to liquidate their claim and then turn down a claim exactly similar when the parties who were in the steamship business, acting as agents of the Government, loaded one of their ships after unloading their cargo in order to bring the sugar into this country. That is the reason I intend to vote for this claim. Congress has already gone on record as saying these contracts entered into by the Department of Justice to break the price of sugar shall be considered as moral obligations against the Government and should be paid out of profits made out of sugar by the Sugar Equalization Board. I shall vote for this claim because, against my vote and my judgment, Congress has already said claims of this kind should be paid. I see no reason to discriminate against these claimants.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I rise in opposition to the motion of the gentleman. A few minutes ago I was reading from the testimony of Mr. De Ronde. To continue, Mr. De Ronde said:

I was not particularly keen about it at the time, never having been in the sugar business and knowing very little about it.

I will not read it all, but he goes on to say he would take this under advisement and think it over and look into it as a business proposition; he came to the conclusion from the standpoint of his own interests that it was safe and right for him to go into it, and he decided to do it. He gave instructions to his company in Argentina to buy 5,000 tons of sugar, which was loaded. Before it left Argentina the price had begun to drop, and he talked with Mr. Rily about selling it there. Mr. Rily

did not exercise any authority over him or issue any orders to him; he did not command him, but he said, "No, you must not do that, you promised to bring that here and should keep your promise," evidencing that he had no control over Mr. De Ronde whatever. Mr. Rily said to him that this slump in price was only temporary, that the price is going to increase. Practically, as he said himself, "I went back and thought it over and decided that Riley was right." I said to myself, "I guess the thing is going to be all right after all." He acted on his own judgment and brought that sugar on. Then when the boat was half way between Argentina and New York he talked with Rily again about the matter, and Rily urged him to let the ship come on. Mr. De Ronde was asked by the chairman of our committee if he could have interfered and turned the ship back to Argentina. He said, "Oh, yes; possibly so; possibly I could; we are always in touch with our vessels by wireless." He might have sent his ship back and sold the sugar. He was free to use his own judgment. He was not in the position of the American Trading Co. The Government itself had been handling the Trading Co. matter, and it was under obligations to the Government of Argentina. Our Government had pledged the matter as its own. It could not sell.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield for a question?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. McSWAIN. I wish to ask in regard to this claim now under consideration whether the present Attorney General has regarded it as both legally and morally binding?

Mr. McLAUGHLIN of Michigan. He did not know anything about it; anybody listening to him would be satisfied that he did not know a blooming thing about it. [Laughter.]

Mr. COPLEY. What did he say?

Mr. McLAUGHLIN of Michigan. He said he thought there was a moral obligation and perhaps a legal obligation. I read a letter written by an Assistant Attorney General in which one of these sugar claimants is described as "agent of the Department of Justice." I went to him and asked him what authority he had for using those words. He said, "Those words are used in the resolution presented to the House"—that is, they were the words of the claimant himself. I asked him if he had made any inquiry or investigation about the thing. He did not know as much as the Attorney General, and that is going some. So much for those expressions of opinion as to the force and legality of these claims.

Now, it is said that the Department of Justice was to control the distribution of the De Ronde sugar. It was to control the distribution no more than it controlled the distribution of many, many other food products in the United States, directing when and where and at what price they should be sold. They were to exercise general supervision over it and limit the price as they limited the price on dozens of articles. I said from the first that Mr. De Ronde and his company simply brought themselves into line with thousands of producers in this country, and that they were not entitled to any more consideration than is any one of these thousands of producers.

Now, the gentleman from Indiana [Mr. PURNELL] says he did not agree with me as to the merits of the American Trading Co.'s claim at first, but when he went to the Department of State and looked over the correspondence he was convinced as to that claim and also as to the justice of this De Ronde claim. I would like to ask him where he found one line, one word, in the office of the Secretary of State in regard to this claim. They answered expressly and concisely when asked about sugar claims, "The American Trading Co.'s claim is the only one we have ever had anything to do with." There is not a line in that department in regard to De Ronde's claim or the De Ronde transaction from first to last.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. COCKRAN rose.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. COCKRAN. Mr. Chairman, I have listened to this debate with considerable interest. I knew nothing about these claims until I began to examine this morning the documents submitted to the House in connection with them; and, without undertaking to pass judgment on matters which are in dispute, I think the conclusion is plain, to which the House should be impelled by honor—I may say by decency—[applause] if it has regard to the uncontradicted, conceded facts in the case.

Let me say at the beginning that in transactions with governments all technical questions of legal liability or of the difference between contracts and moral obligations can always be disregarded. The Government is bound by any contract only so far as it wants to be bound by it. We are not dealing with this matter as a liability arising under a contract between individuals but as representatives of a sovereign in the exercise of sovereignty.

The circumstances under which this transaction took place—all the actions of the Government with respect to it—should guide this body in its decision. Does anybody doubt that the Government was engaged in the task of lowering the price of sugar at that time? Does anybody doubt that the attempt was a meritorious enterprise?

Does anybody doubt that importations of sugar from abroad was the only possible means of breaking down the price except by stark confiscation, which in this country would have been impossible? When the Government took the only means open to it, and when Mr. De Ronde, who never was in the sugar trade, whose ships were already loaded with other freight, in the course of his ordinary transportation business, unloaded at the instance of the Government the goods that were in the holds of his vessels and took on sugar and brought it here on the promise of the Government to find him customers at a rate fixed not by him but by the Government, will anybody doubt that there was an agreement, a contract, as far as one could be made under such conditions? There was an obligation, both moral and legal, from which no decent man would seek to escape, and which no honorable Government would contemplate evading. [Applause.]

That is not all. The cargo started toward this country, and then the price of sugar having fallen here before its arrival, to the relief of all our citizens, Mr. De Ronde and others had ample opportunity to return the cargo and sell it with a profit, or at least without loss, in the Argentine.

Does anybody doubt that they would have elected to utilize that opportunity unless somebody had interfered to prevent those capable business men from pursuing the course which ordinary business prudence imposed on them? And who did interfere to prevent them? It was not an angel from heaven that warned these ships away from the Argentine and bade them come here. It was this Government, through its lawfully appointed officer.

Now, they say that Mr. Rily had no authority to give them this instruction or advice—call it what you will—and that Mr. De Ronde in following it was acting upon his own judgment. It is difficult to treat this contention seriously. Will anybody pretend that if Mr. Rily had not been a Government officer Messrs. De Ronde would have paid the slightest attention to his representations or would have hesitated a moment in seeking safety where safety was to be had; that is to say, by sending the sugar back to the Argentine? Why did they not seek this safety? Why were they not by this obvious measure of precaution saved from the loss which it is admitted they sustained? It was because this Government stepped in and urged upon them the course they pursued. It was at the behest and at the instance of the Government that they brought the sugar here and suffered the loss from which they now seek to be relieved. On this statement of facts, not one of which has been controverted here or is questioned on any side, the course of honor—and that is the only course this Nation can afford to follow or even to consider—is certainly clear. The Government that seeks by quibbling evasions to avoid making good a loss suffered by its citizens in carrying out its policy at its own behest and under its own specific directions, is not a government worthy of American traditions or worthy of the flag that floats over our heads. [Applause.]

Mr. MONDELL. Mr. Chairman, I move that all debate on the resolution and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Wyoming moves that all debate on the resolution and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. Debate on the resolution and all amendments thereto is closed. The question is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. That was pro forma.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn.

Mr. PARKS of Arkansas. I object to withdrawing it. As I understand, there is an amendment pending offered by the gentleman from Texas.

The CHAIRMAN. The gentleman is correct.

Mr. PARKS of Arkansas. Is that subject to debate?

The CHAIRMAN. No; debate is closed.

Mr. PARKS of Arkansas. On that amendment as well as all others?

The CHAIRMAN. Debate on the section and all amendments thereto is closed. The question is on the amendment offered by the gentleman from Texas.

The question being taken, on a division (demanded by Mr. PARKS of Arkansas) there were—ayes 2, noes 125.

Accordingly the amendment was rejected.

Mr. PURNELL. Mr. Chairman, a parliamentary inquiry. Are there any other amendments?

The CHAIRMAN. There are no other amendments pending.

Mr. PURNELL. Then I move that the committee do now rise and report the joint resolution to the House with the recommendation that it do pass.

The CHAIRMAN. The gentleman from Indiana moves that the committee do now rise and report the joint resolution to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration S. J. Res. 79, authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic, had directed him to report the same back to the House with the recommendation that it do pass.

The SPEAKER. By the rule the previous question is ordered. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question being taken, on a division (demanded by Mr. KINCHELOE) there were—ayes 102, noes 83.

Mr. KINCHELOE. Mr. Speaker, I object to the vote because there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. MONDELL. Mr. Speaker, will this be the unfinished business if the House adjourns at this time?

The SPEAKER. The Chair thinks it would be the unfinished business on Thursday. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees. As many as favor the passage of the joint resolution will, as their names are called, vote "yea," those opposed "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 116, nays 115, answered "present" 2, not voting 194, as follows:

YEAS—116.

| | | | |
|---|---|---|---|
| Abernethy | Darrow | Knutson | Rodenberg |
| Ansorge | Dupré | Kraus | Sanders, Ind. |
| Appleby | Fairchild | Kreider | Shelton |
| Aswell | Faust | Larson, Minn. | Siegel |
| Bacharach | Fisher | Lee, N. Y. | Sinnott |
| Begg | Focht | Logan | Smith, Idaho |
| Bland, Ind. | Freeman | Luce | Snyder |
| Bond | Gernerd | Luhring | Sproul |
| Bowers | Gifford | McArthur | Stedman |
| Brooks, Ill. | Greene, Mass. | McFadden | Stephens |
| Brooks, Pa. | Greene, Vt. | MacGregor | Strong, Pa. |
| Buchanan | Griest | Magee | Sullivan |
| Bulwinkle | Hadley | Mondell | Thorpe |
| Burdick | Hammer | Mott | Timberlake |
| Butler | Hawley | Nelson, A. P. | Tinkham |
| Campbell, Kans. | Henry | Newton, Mo. | Vaile |
| Cantrill | Herrick | O'Connor | Vestal |
| Carew | Hickey | Oldfield | Voigt |
| Chindblom | Hicks | Patterson, N. J. | Walters |
| Clarke, N. Y. | Hill | Perkins | Ward, N. Y. |
| Cockran | Hukriede | Perlman | Wason |
| Cole, Ohio | Humphreys, Miss. | Petersen | Watson |
| Colton | Hutchinson | Pou | Webster |
| Connolly, Pa. | Ireland | Purnell | White, Me. |
| Copley | Kelley, Mich. | Ransley | Williams, Ill. |
| Crago | Kennedy | Reece | Winslow |
| Cullen | Kindred | Riordan | Wood, Ind. |
| Curry | Kissel | Roach | Wurzbach |
| Dale | Kline, Pa. | Robertson | Wyant |

NAYS—115.

| | | | |
|---|---|---|---|
| Almon | Chalmers | Fess | Jeffers, Ala. |
| Andrews, Nebr. | Christopherson | Fields | Jones, Tex. |
| Barbour | Clague | Foster | Kincheloe |
| Beck | Cole, Iowa | French | Lampert |
| Beedy | Collier | Fulmer | Lanham |
| Bird | Collins | Garrett, Tenn. | Lankford |
| Black | Connally, Tex. | Gensman | Larsen, Ga. |
| Bland, Va. | Cooper, Wis. | Gilbert | Lawrence |
| Blanton | Cramton | Goldsborough | Leatherwood |
| Boies | Crisp | Green, Iowa | Lineberger |
| Bowling | Deal | Hardy, Colo. | Linthicum |
| Box | Dickinson | Haugen | London |
| Brennan | Doughton | Hoch | Lowrey |
| Briggs | Dowell | Huddleston | McLaughlin, Mich. |
| Browne, Wis. | Driver | Hudspeth | McLaughlin, Nebr. |
| Burtness | Echols | Humphrey, Nebr. | McSwain |
| Byrnes, S. C. | Evans | Jacoway | MacLafferty |
| Cable | Fairfield | James | Maloney |
| Mapes | Raker | Speaks | Underhill |
| Michener | Rankin | Stafford | Volstead |
| Morgan | Ricketts | Steagall | Ward, N. C. |
| Nelson, Me. | Robsion | Stevenson | Williams, Tex. |
| Nelson, J. M. | Sanders, Tex. | Strong, Kans. | Williamson |
| Norton | Sandlin | Summers, Wash. | Wilson |
| Ogden | Scott, Tenn. | Sumners, Tex. | Wingo |
| Oliver | Sears | Swank | Woods, Va. |
| Parks, Ark. | Shaw | Swing | Wright |
| Quin | Sinclair | Temple | Young |
| Radcliffe | Sisson | Turner | |

ANSWERED "PRESENT"—2.

| | |
|---|---|
| Hooker | Rouse |

NOT VOTING—194.

| | | | |
|---|---|---|---|
| Ackerman | Frear | Lazaro | Rhodes |
| Anderson | Free | Lea, Calif. | Riddick |
| Andrew, Mass. | Frothingham | Lee, Ga. | Rogers |
| Anthony | Fuller | Lehlbach | Rose |
| Arentz | Funk | Little | Rosenbloom |
| Atkeson | Gahn | Longworth | Rossdale |
| Bankhead | Gallivan | Lyon | Rucker |
| Barkley | Garner | McClintic | Ryan |
| Bell | Garrett, Tex. | McCormick | Sabath |
| Benham | Glynn | McDuffie | Sanders, N. Y. |
| Bixler | Goodykoontz | McKenzie | Schall |
| Blakeney | Gorman | McLaughlin, Pa. | Scott, Mich. |
| Brand | Gould | McPherson | Shreve |
| Britten | Graham, Ill. | Madden | Slemp |
| Brown, Tenn. | Graham, Pa. | Mansfield | Smith, Mich. |
| Burke | Griffin | Martin | Smithwick |
| Burton | Hardy, Tex. | Mead | Snell |
| Byrns, Tenn. | Hawes | Merritt | Steenerson |
| Campbell, Pa. | Hayden | Michaelson | Stiness |
| Cannon | Hays | Miller | Stoll |
| Carter | Hersey | Mills | Sweet |
| Chandler, N. Y. | Himes | Montague | Tague |
| Chandler, Okla. | Hogan | Moore, Ill. | Taylor, Ark. |
| Clark, Fla. | Huck | Moore, Ohio | Taylor, Colo. |
| Classon | Hull | Moore, Va. | Taylor, N. J. |
| Clouse | Husted | Moores, Ind. | Taylor, Tenn. |
| Codd | Jefferis, Nebr. | Morin | Ten Eyck |
| Cooper, Ohio | Johnson, Ky. | Mudd | Thomas |
| Coughlin | Johnson, Miss. | Murphy | Thompson |
| Crowther | Johnson, S. Dak. | Newton, Minn. | Tillman |
| Dallinger | Johnson, Wash. | O'Brien | Tilson |
| Davis, Minn. | Jones, Pa. | Olpp | Tincher |
| Davis, Tenn. | Kahn | Osborne | Towner |
| Dempsey | Kearns | Overstreet | Treadway |
| Denison | Keller | Paige | Tucker |
| Dominick | Kelly, Pa. | Park, Ga. | Tyson |
| Drane | Kendall | Parker, N. J. | Upshaw |
| Drewry | Ketcham | Parker, N. Y. | Vinson |
| Dunbar | Kiess | Patterson, Mo. | Volk |
| Dunn | King | Paul | Weaver |
| Dyer | Kirkpatrick | Porter | Wheeler |
| Edmonds | Kitchin | Pringey | White, Kans. |
| Elliott | Kleczka | Rainey, Ala. | Wise |
| Ellis | Kline, N. Y. | Rainey, Ill. | Woodruff |
| Favrot | Knight | Ramseyer | Woodyard |
| Fenn | Kopp | Rayburn | Yates |
| Fish | Kunz | Reber | Zihlman |
| Fitzgerald | Langley | Reed, N. Y. | |
| Fordney | Layton | Reed, W. Va. | |

So the joint resolution was passed.

The following additional pairs were announced:

On the vote:

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. Rainey of Illinois (for) with Mr. Weaver (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tincher (against).

Mr. Paige (for) with Mr. Rouse (against).

Mr. Treadway (for) with Mr. Fish (against).

Mr. Graham of Pennsylvania (for) with Mr. Vinson (against).

Mr. Brown of Tennessee (for) with Mr. Bankhead (against).

Mr. Martin (for) with Mr. Lazaro (against).

Mr. Crowther (for) with Mr. Woodruff (against).

Mr. Favrot (for) with Mr. Tillman (against).

Mr. Moore of Illinois (for) with Mr. Johnson of South Dakota (against).

Mr. Tilson (for) with Mr. Sabath (against).

Mr. Slemp (for) with Mr. Hooker (against).

Mr. Atkeson (for) with Mr. Little (against).

Additional pairs:

Mr. White of Kansas with Mr. Montague.

Mr. Kiess with Mr. Lee of Georgia.

Mr. Anthony with Mr. Clark of Florida.

Mr. Elliott with Mr. Hardy of Texas.

Mr. Patterson of Missouri with Mr. Mansfield.

Mr. Moore of Ohio with Mr. Wise.

Mr. Rosenbloom with Mr. Tucker.

Mr. Snell with Mr. Smithwick.

Mr. Rhodes with Mr. Moore of Virginia.

Mr. Morin with Mr. Rayburn.

Mr. Merritt with Mr. Garrett of Texas.

Mr. Britten with Mr. Johnson of Kentucky.

Mr. Burton with Mr. McClintic.

Mr. Fenn with Mr. McDuffie.

Mr. ROUSE. Mr. Speaker, I voted "no." I am paired with the gentleman from Massachusetts [Mr. PAIGE]. I wish to withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

On motion of Mr. PURNELL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the potash situation.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HUTCHINSON. Mr. Speaker and gentlemen of the House, I rise for the purpose of correcting certain statements and impressions created by an extension of remarks of the gentleman from Vermont [Mr. GREENE], appearing in the RECORD of December 28, 1922, and a speech made in the House on January 10, 1923, by the gentleman from New York [Mr. CROWTHER]. In both instances reference is made to potash and the price of that commodity since the passage of the Fordney-McCumber Tariff Act.

Many Members have asked me if it is true that potash prices have advanced 345 per cent since the passage of the tariff act. Such is not the case, because potash prices have been practically the same for over a year, and it is not likely there will be any serious changes for several months, because most buyers have contracted for their requirements for the present season.

In the first place it might be well to remember that for many years potash has been on the free list, and, of course, when an effort was made to place a duty of 50 cents a unit or $50 per ton of actual potash, on this commodity, that effort was met with serious opposition.

The effort failed, as you all know, and potash was restored to the free list by a vote of 177 to 130.

The tariff act became effective on September 21, 1922, and, on November 27, 1922, as president of a cooperative buying society, I contracted for 20,000 tons of K20 at a price lower than I recall having ever paid, with one exception. Several years ago during a trade war abroad prices were reduced below the cost of production and for a brief period American buyers were able to profit by that condition. But they soon settled their trouble and prices returned to normal.

It is evident the false impression as to the advance in price was created by information contained in a letter from Mr. Hoover, Secretary of Commerce, to the gentleman from Vermont, [Mr. GREENE], and included in the remarks of that gentleman.

As some of our farmer friends are alarmed at the prospect of the cost to them of potash carrying the increase specified in the RECORD, I wrote to Mr. Hoover and asked that he state more clearly the actual meaning of the price advance reported in his letter to the gentleman from Vermont.

I have since received from Mr. Hoover the following reply:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
*Washington, January 25, 1923.*

The Hon. E. C. HUTCHINSON,
*House of Representatives.*

MY DEAR MR. HUTCHINSON: I am in receipt of your letter of January 19th with regard to potash prices.

I am afraid the discussion has gone all wrong because of the misunderstanding of the term "inland potash prices" which was the term used in publications of this department in reference to the increase in German inland prices.

Prices have been advanced from time to time in Germany in accord with the fall in the mark whereas the export prices in terms of dollars have remained fairly stable for some time.

The men in the department here apparently thought that the term "inland prices" in Germany would be understood as the price in marks and neglected to call attention to the fact that such changes in inland prices did not necessarily represent a change in terms of dollars.

Yours faithfully,
HERBERT HOOVER.

Mr. Speaker, I should like to say to the farmers and people of the country generally that the manufacturers of fertilizers have seldom sold a high-grade fertilizer for as low a price as is being offered this year. This is due largely to the low cost of potash.

There are some materials higher this year, such as ammonia from animal matter, in which the advance figures almost double, but that is a market condition over which the manufacturer and dealer has no control, and even that is largely nullified by the low cost of potash free of tariff duty.

There has been considerable talk of a monopoly in potash, but as Germany and France are the chief producers of potash the prospects of a monopoly are remote. In fact, I predict that the keen desire for business in this country will result in our farmers being assured low cost of potash for some time to come.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada; to the Committee on Interstate and Foreign Commerce.

S. 4387. An act to authorize the building of a bridge across the Tugaloo River, between South Carolina and Georgia; to the Committee on Interstae and Foreign Commerce.

S. 4398. An act in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.:

S. 2556. An act for the relief of Edwin Gantner;

S. 2210. An act for the relief of Lucy Paradis;

S. 1945. An act to reimburse the Navajo Timber Co., of Delaware, for a deposit made to cover the purchase of timber;

S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921;

S. 841. An act for the relief of Elizabeth Marsh Watkins; and

S. 1690. An act to correct the naval record of John Sullivan.

LEAVE OF ABSENCE.

By unanimous consent the following leave of absence was granted:

To Mr. SCOTT of Michigan, indefinitely, on account of illness, at the request of Mr. MAPES.

To Mr. ROSE, at the request of Mr. WALTERS, on account of illness.

To Mr. FUNK, for two days, on account of illness.

To Mr. FULLER, for five days, on account of illness in the family.

To Mr. RAMSEYER, for one week, on account of sickness in his family.

Mr. BOX. Mr. Speaker, I ask unanimous consent that I may have leave to file a minority report within five days on the Louis Leavitt claim on the Private Calendar.

The SPEAKER. The gentleman from Texas asks unanimous consent that he may have five days to file a minority report. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman from Wyoming yield for me to inquire about the Order of Business?

Mr. MONDELL. I yield.

Mr. GARRETT of Tennessee. In regard to the tentative program which the gentleman has kindly given us, will that be carried out on Thursday?

Mr. MONDELL. I think it should be carried out. I made the program on the theory that it was a program that ought to be followed. I shall use my best endeavors to follow it.

Mr. GARRETT of Tennessee. That includes the conference report on the taxation bill as the first Order of Business.

Mr. MONDELL. Prior to that I think we ought to take up the bill that is now on the Speaker's table on the following day.

Mr. McFADDEN. The gentleman refers to the bank building bill?

Mr. MONDELL. Yes. However we would leave it with the committee to decide, but that would be my thought in regard to it.

Mr. GARRETT of Tennessee. The trouble with us innocent bystanders is that after the Committee on Rules has adopted a rule without our suggestion or thought that it will be called up on a certain day the chairman of the Committee on Rules changes the day, not of his own motion, but it keeps us busy answering questions.

Mr. MONDELL. I think we have been following very closely the tentative program that has been announced for a long time at least on Saturday morning, and generally Friday morning of the week before. I think we have not departed from it in any important particular.

Mr. GARRETT of Tennessee. Do I understand that the conference report on the bank building bill will probably come up first on Thursday?

Mr. MONDELL. That will depend on the action of the committee. That was to have been taken up this morning. It is a matter to be disposed of as soon as we can. It is a matter of entire indifference to me, but I shall leave it entirely with the committee.

Mr. McFADDEN. The gentleman from Tennessee refers to the bank building bill as a conference report. It is a bill on the Speaker's table which the Senate has passed. It is in lieu of the conference report and will be substituted for the conference report.

Mr. GARRETT of Tennessee. How did it happen that the committee requested a rule for the bill?

Mr. McFADDEN. The request for the rule came before the Senate bill was passed. There has been a cooperation both in the Senate and the House to get the legislation through because of its urgency, and it would seem that it would come a little quicker this way.

Mr. MONDELL. The bank building bill is a House Calendar bill on the Speaker's table.

Mr. GARRETT of Tennessee. How did it happen to come to the Committee on Rules?

Mr. MONDELL. I do not know. I had nothing to do with that.

Mr. GARRETT of Tennessee. I want to have a clear understanding about this. Then that bill can be called up or will be called up on Thursday under whatever parliamentary procedure is necessary.

Mr. MONDELL. If the gentleman from Tennessee desires and it is agreeable to the committee.

Mr. GARRETT of Tennessee. I have no disposition or desire about it. All I want to know is about the program of the business. The conference report on the taxation of banks——

Mr. McFADDEN. That is in conference and the conferees meet to-morrow. I expect they will disagree to a portion of it and make a partial report so that we may submit the validation clause, and we hope to have Thursday to consider that.

Mr. GARRETT of Tennessee. Will it be called up ahead of the privileged business of the Committee on Ways and Means?

Mr. MONDELL. It is a matter of the highest privilege, and my understanding has been that it is the desire of Members of the House, generally, that this matter be disposed of. As to privileged matters of the Committee on Ways and Means we could utilize the balance of the day to dispose of them.

Mr. GARRETT of Tennessee. Then the conference report will be a partial report, and that will be called up ahead of the business reported by the Committee on Ways and Means.

Mr. McFADDEN. That is my understanding.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 31, 1923, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

926. A letter from the president of the Chesapeake & Potomac Telephone Co., transmitting a report of the Chesapeake & Potomac Telephone Co. for the year 1922. This report is substituted for the report submitted January 4, 1923; to the Committee on the District of Columbia.

927. A letter from the First Assistant Secretary of the Interior, transmitting copy of a letter from the Commissioner of the General Land Office, transmitting report of the withdrawals and restorations of public lands in certain cases; to the Committee on the Public Lands.

928. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to permit the sale of exterior articles of the uniform to honorably discharged enlisted men; to the Committee on Naval Affairs.

929. A communication from the President of the United States, transmitting, with a letter from the Director of the Bureau of the Budget, supplemental and deficiency estimates of appropriations for the Department of the Interior for the fiscal year ending June 30, 1923, and for prior fiscal years, amounting to $16,452,217.51 (H. Doc. No. 536); to the Committee on Appropriations and ordered to be printed.

930. A communication from the President of the United States, transmitting a communication from the Assistant Secretary of Commerce submitting an estimate of appropriation in the sum of $188.25 to pay claims which have been considered and adjusted by the Director of the Coast and Geodetic Survey under the provisions of the act of June 5, 1920 (41 Stat. 1054), and which require an appropriation for their payment (H. Doc. No. 537); to the Committee on Appropriations and ordered to be printed.

931. A communication from the President of the United States, transmitting a communication from the Secretary of Labor submitting an estimate of appropriation in the sum of $495.69 to pay claims which he has adjusted under the provisions of the act of December 28, 1922 (Public, No. 375, 67th Cong.), and which require an appropriation for their payment (H. Doc. No. 538); to the Committee on Appropriations and ordered to be printed.

932. A communication from the President of the United States, transmitting a communication from the Secretary of War submitting an estimate of appropriation in the sum of $3,672.65 to pay claims which he has adjusted under the provisions of the act of December 28, 1922 (Public, No. 375, 67th Cong.), and which require an appropriation for their payment (H. Doc. No. 539); to the Committee on Appropriations and ordered to be printed.

933. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Supreme Court of the United States for the fiscal year ending June 30, 1923, for printing and binding, amounting in all to $14,000 (H. Doc. No. 540); to the Committee on Appropriations and ordered to be printed.

934. A letter from the Secretary of War, transmitting a draft of legislation regarding service rendered by National Guard officers during temporary Federal recognition prior to December 15, 1922; to the Committee on Military Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DALLINGER: Committee on Indian Affairs. H. R. 5699. A bill providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina; with amendments (Rept. No. 1475). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFADDEN: Committee on Banking and Currency. H. R. 14041. A bill to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; without amendment (Rept. No. 1478). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS: Committee on Foreign Affairs. H. R. 13880. A bill for the reorganization and improvement of the foreign service of the United States, and for other purposes; with an amendment (Rept. No. 1479). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Indian Affairs. H. R. 14000. A bill authorizing the Secretary of the Interior, with the consent of the Chippewa Indians of Minnesota, to transfer and convey to the State of Minnesota all lands, with the buildings thereon, now constituting the White Earth Agency and school reserves; with an amendment (Rept. No. 1480). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 13993. A bill to amend section 140 of the Criminal Code of the United States, relating to obstruction of process and assaulting officers; without amendment (Rept. No. 1481). Referred to the House Calendar.

Mr. RAKER: Committee on the Public Lands. S. J. Res. 226. A joint resolution authorizing the acceptance of title to certain land within the Shasta National Forest, Calif.; without amendment (Rept. No. 1482). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKENZIE: Committee on Military Affairs. S. 674. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia; with amendments (Rept. No. 1483). Referred to the House Calendar.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FROTHINGHAM: A bill (H. R. 14077) to extend the benefits of section 14 of the pay readjustment act of June 10, 1922, to validate certain payments made to National Guard and Reserve officers and warrant officers, and for other purposes; to the Committee on Military Affairs.

By Mr. JACOWAY: A bill (H. R. 14078) to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta, Ark.," approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

By Mr. McSWAIN: A bill (H. R. 14079) to define and punish official misconduct of officers of the United States; to the Committee on the Judiciary.

By Mr. MacGREGOR: A bill (H. R. 14080) amending section 206 of the act of February 28, 1920, known as the transportation act; to the Committee on Interstate and Foreign Commerce.

By Mr. NEWTON of Minnesota: A bill (H. R. 14081) granting the consent of Congress to the Valley Transfer Railway Co., a corporation, to construct three bridges and approaches thereto across the junction of the Minnesota and Mississippi Rivers at points suitable to the interests of navigation; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14082) to authorize the Valley Transfer Railway Co., a corporation, to construct and operate a line of railway in and upon the Fort Snelling Military Reservation, in the State of Minnesota; to the Committee on Military Affairs.

By Mr. STEENERSON: A bill (H. R. 14083) to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914; to the Committee on Indian Affairs.

By Mr. VOLSTEAD: A bill (H. R. 14084) to amend section 1025 of the Revised Statutes; to the Committee on the Judiciary.

Also, a bill (H. R. 14085) to amend section 284 of the Judicial Code of the United States; to the Committee on the Judiciary.

By Mr. HICKS: A bill (H. R. 14086) authorizing the acquisition of certain sites for naval aviation stations; to the Committee on Naval Affairs.

By Mr. PORTER: A bill (H. R. 14087) for the creation of an American battle monuments commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HUSTED: Joint resolution (H. J. Res. 428) providing funds to enable Armenian refugees to avail themselves of the offer of asylum made by the Russian Soviet Government; to the Committee on Foreign Affairs.

By Mr. WASON: Resolution (H. Res. 499) authorizing the Clerk of the House to pay out of the contingent fund of the House to Ralph B. Pratt and Helen S. Burroughs one month's salary as clerks to the late Hon. Sherman E. Burroughs; to the Committee on Accounts.

By Mr. STEENERSON: Resolution (H. Res. 500) for the immediate consideration of H. R. 14038; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECK: A bill (H. R. 14088) granting a pension to Elizabeth Grover; to the Committee on Invalid Pensions.

By Mr. CODD: A bill (H. R. 14089) granting six months' pay to Harriet B. Castle; to the Committee on Naval Affairs.

By Mr. DENISON: A bill (H. R. 14090) granting an increase of pension to Harriet Wicks; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 14091) for the relief of the Compagnie Francaise des Cables Telegraphiques; to the Committee on Claims.

By Mr. FESS: A bill (H. R. 14092) granting a pension to George Hurtt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14093) granting a pension to Ada M. Young; to the Committee on Pensions.

By Mr. HOGAN: A bill (H. R. 14094) for the relief of various owners of vessels and cargoes damaged by the U. S. S. *Lamberton*; to the Committee on Claims.

By Mr. JEFFERIS: A bill (H. R. 14095) for the relief of George F. Wooley, jr.; to the Committee on Military Affairs.

By Mr. LAWRENCE: A bill (H. R. 14096) granting a pension to Euphamia Smith; to the Committee on Invalid Pensions.

By Mr. LAYTON: A bill (H. R. 14097) for the relief of Horace G. Knowles; to the Committee on Claims.

By Mr. MORGAN: A bill (H. R. 14098) granting an increase of pension to Anne E. Black; to the Committee on Invalid Pensions.

By Mr. PATTERSON of New Jersey: A bill (H. R. 14099) granting a pension to Emma A. Bradfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14100) granting an increase of pension to Ellen Thompson; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 14101) granting a pension to Hannah Hughes; to the Committee on Invalid Pensions.

By Mr. RHODES: A bill (H. R. 14102) granting a pension to William E. Robinson; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 14103) for the relief of Erve W. Johnson; to the Committee on the Public Lands.

Also, a bill (H. R. 14104) for the relief of Nora B. Sherrier Johnson; to the Committee on the Public Lands.

By Mr. SWING: A bill (H. R. 14105) granting a pension to Alan George MacArthur; to the Committee on Pensions.

By Mr. WARD of New York: A bill (H. R. 14106) granting a pension to Edward Carpenter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14107) granting an increase of pension to Celynda Werner Ford; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 14108) to correct the military record of Daniel C. Darroch; to the Committee on Military Affairs.

Also, a bill (H. R. 14109) granting an increase of pension to L. Anna Mavity; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7094. By Mr. ARENTZ: Petition of the Lyon County (Nev.) Farm Bureau, indorsing the Capper amendment to the Esch-Cummins Act; to the Committee on Interstate and Foreign Commerce.

7095. Also, petition of the Lyon County (Nev.) Farm Bureau, favoring the proposed revision of the farm credits system by the new Capper bill; to the Committee on Banking and Currency.

7096. Also, petition of the Lyon County (Nev.) Farm Bureau, urging the passage of the Smith-McNary bill, or some similar measure, providing for the completion of western reclamation projects; to the Committee on Irrigation of Arid Lands.

7097. By Mr. BARBOUR: Petition of sundry citizens of Shafter, Kern County, Calif., urging support of joint resolution for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7098. By Mr. CLAGUE: Petition of sundry citizens of Blue Earth County, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7099. Also, petition of sundry citizens of Blue Earth County, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7100. Also, petition of sundry citizens of Cottonwood, Faribault, and Martin Counties, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7101. By Mr. FAUST: Petition of numerous citizens of St. Joseph, Mo., for extension of aid to the German and Austrian Republics; to the Committee on Foreign Affairs.

7102. By Mr. KELLER: Petition signed by F. A. Carroll and 23 citizens, by Carl O. Ruecker and 26 citizens, and by J. Riehle and 48 other citizens, all of St. Paul, Minn., urging immediate action upon H. J. Res. 412, proposing to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7103. By Mr. KIESS: Petition of sundry citizens of Williamsport, Pa., with reference to tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7104. By Mr. KISSEL: Petition of the American Cotton Growers' Exchange, Dallas, Tex., favoring the enactment of a rural credits act, to be introduced by the Committee on Banking and Currency, in such way as the committee may deem advisable; to the Committee on Banking and Currency.

7105. By Mr. MacGREGOR: Petition of Charles I. Craig, comptroller of the city of New York, favoring an amendment to the national bank act; to the Committee on Banking and Currency.

7106. Also, petition of sundry citizens of the forty-first congressional district, New York, favoring a joint resolution providing for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7107. Also, petition of the Federation of Polish Hebrews of America, favoring an amendment to the immigration law per-

mitting the wives and children in foreign countries whose husbands are now in the United States to enter this country regardless of the quota allowed for the country in which they reside; to the Committee on Immigration and Naturalization.

7108. By Mr. MICHENER: Petition of sundry citizens of Michigan, petitioning for immediate aid to the people of German and Austrian Republics, etc.; to the Committee on Foreign Affairs.

7109. By Mr. PERKINS: Petition signed by Mr. David C. Boswell and several others, of Lyndhurst, N. J., urging immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7110. By Mr. SPEAKS: Papers to accompany H. R. 13802, granting a pension to Rosa Gatterdam; to the Committee on Pensions.

7111. By Mr. STRONG of Pennsylvania: Petition of sundry citizens of Leechburg, Pa., to abolish the tax on small arms and ammunition; to the Committee on Ways and Means.

7112. By Mr. TEMPLE: Petition of a number of residents of Woodlawn, Beaver County, Pa., to abolish discriminatory tax on small-arms ammunition and firearms (internal revenue act, sec. 900, par. 7); to the Committee on Ways and Means.

7113. By Mr. YOUNG: Petition of Rev. H. Elster and others, of Enderlin, N. Dak., urging the passage of the joint resolution now pending in Congress proposing to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7114. Also, petition of Mr. Fritz Mutschler and others, of Jamestown, N. Dak., urging the passage of the joint resolution now pending in Congress proposing to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7115. Also, memorial of the National Farm Loan Association of Velva, N. Dak., protesting the passage of the Strong, Norbeck, and Green bills bearing on the Federal farm loan system; to the Committee on Banking and Currency.

7116. Also, petition of Joseph Niebler and others, of Hague, N. Dak., urging the passage of the joint resolution now pending to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7117. Also, petition of 73 residents of Pierce County, N. Dak., requesting the passage of the joint resolution now pending in Congress to extend immediate relief to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7118. Also, petition of the Young Men's Christian Association of Fargo, N. Dak., urging strengthening of prohibition laws and enforcement of same; to the Committee on the Judiciary.

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## SENATE.

### WEDNESDAY, *January 31, 1923.*

*(Legislative day of Monday, January 29, 1923.)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

The VICE PRESIDENT. The bill is as in Committee of the Whole and open to amendment.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | George | McKellar | Smoot |
| Ball | Gerry | McLean | Spencer |
| Borah | Glass | McNary | Stanfield |
| Brookhart | Gooding | Nelson | Sterling |
| Bursum | Hale | New | Sutherland |
| Calder | Harris | Nicholson | Swanson |
| Cameron | Heflin | Norbeck | Trammell |
| Capper | Johnson | Oddie | Underwood |
| Caraway | Jones, Wash. | Overman | Wadsworth |
| Colt | Kellogg | Page | Walsh, Mass. |
| Couzens | Kendrick | Pepper | Walsh, Mont. |
| Culberson | Ladd | Phipps | Warren |
| Curtis | Lenroot | Pomerene | Watson |
| Ernst | Lodge | Ransdell | Weller |
| Fernald | McCormick | Reed, Pa. | Williams |
| Fletcher | McCumber | Smith | |

Mr. UNDERWOOD. I wish to announce the necessary absence of the junior Senator from Texas [Mr. SHEPPARD] on account of illness.

Mr. SMITH. I wish to state that my colleague [Mr. DIAL] is absent on account of illness.

Mr. CURTIS. I was requested to announce that the Senator from Nebraska [Mr. NORRIS] is absent on official business.

I was also requested to announce that the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from New Hampshire [Mr. KEYES], the Senator from Illinois [Mr. MCKINLEY], and the Senator from Oklahoma [Mr. HARRELD] are absent on business of the Senate.

Mr. McNARY. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent on official business.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is absent on account of illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Sixty-three Senators have answered to their names. A quorum is present.

Mr. LENROOT. Mr. President, I merely wish to announce again that if the pending bill is not disposed of during the day I shall ask the Senate to continue in session to-night.

#### DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the Department of Justice, which was ordered to lie on the table.

#### REPORT OF THE CAPITAL TRACTION CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Capital Traction Co., transmitting, pursuant to law, a report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

#### REPORT OF THE GEORGETOWN GAS LIGHT CO.

The VICE PRESIDENT laid before the Senate a communication from the President of the Georgetown Gas Light Co., transmitting, pursuant to law, a detailed statement of the business of the company for the year ended December 31, 1922, together with a list of stockholders, which was referred to the Committee on the District of Columbia.

#### PETITIONS.

Mr. WARREN presented resolutions adopted by the Fort McKinney National Farm Loan Association, of Buffalo, Wyo., favoring certain proposed amendments to the Federal farm loan act, which were referred to the Committee on Banking and Currency.

Mr. ODDIE presented resolutions of the Reno Central Trades and Labor Council, of Reno, Nev., favoring suspension of immigration for a period of five years and the deporting of such aliens as have not demonstrated their fitness to become naturalized citizens of the United States, which was referred to the Committee on Immigration.

Mr. McLEAN presented petitions of the Meriden Woman's Club of Meriden, and the League of Women Voters of New Haven County, both in the State of Connecticut, praying an amendment of the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

He also presented a petition of the Chamber of Commerce of Greenwich, Conn., praying for the passage of Senate Joint Resolution 269, authorizing the United States to pay just and meritorious claims for loss of or damage to freight in transportation while the railroads were under Federal control, etc., which was referred to the Committee on Interstate Commerce.

#### REPORTS OF COMMITTEES.

Mr. BURSUM, from the Committee on Pensions, to which was referred the bill (S. 4305) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes, reported it with amendments and submitted a report (No. 1076) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 3499) for the relief of the Atlas Lumber Co., Babcock & Willcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co., reported it without amendment and submitted a report (No. 1077) thereon.

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4146) granting certain lands to Natrona County, Wyo., for a public park, reported it with amendments and submitted a report (No. 1079) thereon.